



# Invitation to subscribe for shares in Risk Intelligence A/S

RiskIntelligence

## Note

Note that the subscription rights are expected to have an economic value. In order not to lose the value of the subscription rights, the holder must either:

- Exercise the subscription rights received and subscribe for shares no later than 24 October 2023, or as instructed by the respective nominee, or
- Sell the subscription rights received that have not been exercised by 20 October 2023.

Note that shareholders with nominee-registered holdings subscribe for shares through the respective nominee. It is also possible to register for subscription of shares without subscription rights.



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# Important information

## **DEFINITIONS**

This offering memorandum (the "Memorandum") has been prepared in connection with Risk Intelligence A/S ("Risk Intelligence" or the "Company"), with corporate registration number 27475671, offer to subscribe for shares ("the Offering"). The Company is listed on Spotlight Stock Market

## **ADVISORS AND ISSUING AGENT**

In connection with the Offering described in this Memorandum, Corpura Fondkommission AB ("Corpura") is the financial advisor to Risk Intelligence. Mazanti-Andersen Advokatpartnerselskab ("Mazanti") is the legal advisor. Nordic Issuing is the issuing agent for the Offering. The Board of Directors and the CEO of Risk Intelligence is responsible for the content, whereupon Corpura, Mazanti and Nordic Issuing disclaims all liability in relation to the shareholders in the Company, as well as with respect to other direct or indirect consequences of investment decisions or other decisions based wholly or partly on the information in this memorandum.

## **EXEMPTION FROM PROSPECTUS OBLIGATION**

The Offering is not covered by the Financial Supervisory Authority's Prospectus requirements and hence, the Memorandum has not been reviewed or approved by the Danish Financial Supervisory Authority (In Danish: Finanstilsynet).

## **THE AREA OF DISTRIBUTION FOR THE MEMORANDUM**

This Memorandum may not be distributed in the United States, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore, or other countries where the distribution or this invitation requires additional measures as stated in the previous sentence or contravene rules in such country. Disputes arising from the contents of the Memorandum or related legal matters shall be settled according to Danish law and at the Danish court. The Memorandum is available on the Company's website ([www.riskintelligence.eu](http://www.riskintelligence.eu)) and on Spotlight Stock Market's website ([www.spotlightstockmarket.com](http://www.spotlightstockmarket.com)). Apart from what is stated in the audit report and reports incorporated by reference, no information in the Memorandum has been reviewed or audited by the Company's auditor. The Board of Directors and the CEO assures that information from references and source references have been reproduced correctly and that, as far as the Board of Directors and the CEO know and can insure by comparison with other information published by the third party concerned, no information has been omitted in a way that would render the information reproduced incorrect or misleading.

**STATEMENTS REGARDING THE ENVIRONMENT AND THE FUTURE**

This Memorandum contains forward-looking statements that reflect the Company's current views or expectations on future events as well as financial and operational development. The reader should be aware that these, like all future assessments, are associated with both known as well as unknown risks and uncertainties, given their dependence on future events and circumstances. Factors that could cause the Company's future results or development to differ from what is expressed in the forward-looking statements include, but are not limited to, those described in the section "Risk Factors". Statements about the outside world and future conditions reflect express only the assessments and assumptions made by the Board of Directors and the CEO as at the date of this Memorandum.

**REFERENCES AND SOURCE REFERENCING**

The Memorandum contains information from third parties. The Company ensures that the information from third parties has been reproduced correctly and that, to the extent that the Board of Directors and the CEO are aware and can ascertain by comparisons with other information published by the relevant third parties, no information has been omitted in a manner that could render the information provided inaccurate or misleading.

**AUDITOR REVIEW**

Apart from what is stated in the audit report and reports incorporated by reference, no information in the Memorandum has been reviewed or audited by the Company's auditor.

**ACCESSIBILITY OF MEMORANDUM**

Copies of the Memorandum and the documents incorporated by reference can be obtained from Risk Intelligence electronically via the Company's website, [www.riskintelligence.eu](http://www.riskintelligence.eu), or obtained by the Company in paper format at the Company's office with address: Strandvejen 100, 2900 Hellerup, Denmark. The parts of the document that is not incorporated is either not relevant to the investors or the corresponding information is reproduced elsewhere in the Memorandum.

**SPOTLIGHT STOCK MARKET**

Spotlight Stock Market is a subsidiary of Spotlight Group AB, a securities company under the supervision of the Swedish Financial Supervisory Authority. Spotlight operates an MTF platform and companies listed on Spotlight have undertaken to adhere to Spotlight's Regulation. Among other things, the Regulation is intended to ensure that shareholders and other participants in the market receive correct, immediate and concurrent information in all circumstances that may affect the Company's share price. The trading on Spotlight takes place in an electronic trading system which is accessible to the banks and stockbrokers that are affiliated with the Nordic Growth Market (NGM). This means that anyone who want to buy or sell shares listed on Spotlight may use the banks or stockbrokers who are members at Spotlight. Spotlight's Regulation and share prices can be found on the [Spotlight website](#).

# The rights issue in brief

## CONDITION

Those who on the record date, 10 October 2023, are registered as shareholders in Risk Intelligence have preferential rights to subscribe for units, containing shares. For each existing share, one (1) unit right is obtained. Thirteen (13) unit rights entitle the holder to subscribe for one (1) unit, containing twelve (12) new shares.

## OFFER

The rights issue comprises a maximum of 14,158,512 shares of nominally DKK 0.10. Upon full subscription in the Rights Issue, the Company will receive approximately DKK 18,4 million before issue costs, which are estimated to amount to approximately DKK 2.6 million. The rights issue corresponds to a valuation of Risk Intelligence (pre-money) of approximately DKK 19.9 million.

## SUBSCRIPTION PRICE

The subscription price is DKK 15.60 per unit, corresponding to DKK 1.30 per share of nominally DKK 0.10. No commission is charged.

## SUBSCRIPTION COMMITMENTS

The rights issue is covered by subscription commitments totalling DKK 13.9 million, corresponding to a total of 75.2 percent of the issue amount.

## SUBSCRIPTION PERIOD

11 October – 24 October 2023.

## TRADING IN UNIT RIGHTS (RISK INTEL./T-RET)

11 October – 20 October 2023.

## TRADING IN TEMPORARY UNITS (RISK INTEL./MIDL)

11 October 2023 – until the Rights Issue has been registered with the Danish Business Authority (Dk. Erhvervsstyrelsen).

## PUBLICATION OF RESULTS

The final outcome of the Rights Issue is expected to be announced around 27 October 2023.

## OTHER

ISIN CODE FOR THE SHARES:

DK0061031978

TICKER FOR THE SHARES:

RISK

MARKETPLACE:

SPOTLIGHT STOCK MARKET

ISIN CODE FOR THE RIGHTS (RISK INTEL./T-RET):

DK0062501656

ISIN CODE FOR TEMPORARY UNITS (RISK INTEL./MIDL):

DK0062501573

# Risk factors

An investment in securities is associated with risk. This section describes the risk factors and important circumstances that are considered essential for Risk Intelligence's business and future development.

The risk factors set out in this section are only limited to risks that are deemed to be specific to Risk Intelligence and/or Risk Intelligence's shares and that are deemed to be material for an investor to be able to make an informed investment decision. In doing so, Risk Intelligence has assessed the materiality of the risk factors on the basis of the probability of their occurrence and the expected extent of their negative effects on the Company's operations, results and/or financial position and the risks have therefore, in cases where a risk has not been quantified, been graded on a qualitative scale with the designations low, medium and high.

The risk factors are presented in a limited number of categories which include Risk Intelligence's business and operational risks, financial risks, legal and regulatory risks as well as risks related to Risk Intelligence's shares and the Rights Issue. The risk factors deemed most significant as of the date of the Memorandum are first presented in each category, while the risk factors then follow in no particular order. The statement below is based on the Company's assessment and information available as of the date of the Memorandum.

## Risks specific to the Company

A number of risk factors can have a negative impact on Risk Intelligence's operations. It is therefore of significant importance to consider relevant risks alongside the growth opportunities for the Company. Other risks are associated with the shares offered for sale through this memorandum and intended for trading on Spotlight. Risk factors are described below in no particular order and without claiming to be exhaustive. For natural reasons, it is not possible to assess all risk factors without a combined evaluation of other information in the memorandum, along with a general environmental assessment.

## Risks related to company operations

### FINANCING AND CAPITAL NEED

Risk Intelligence has reached an organisation- and cost level, which supports the production side of the growth targets due to the fully scalable business model and other parts of the organisation will only see limited increase or as part of revenue generating initiatives. As communicated Risk Intelligence will have positive cash flow from operations from Q4 and throughout 2024 and 2025 according to existing plans. With the funding from this transaction the company will have no short-term loan-based debt remaining and subsequently substantially reduced financial costs. Due to the forecasted positive cash flow and reduced financial costs, a postponement in revenue growth may extend the timeline for profitability, but it will not affect the requirement for future funding. The necessity for additional capital could arise only if a shift in strategy occurs or a significant strategic opportunity materializes. While there exists a potential risk in securing added capital, this situation could compel the Company to operate at a slower pace, potentially causing delays or hindrances in commercialization efforts and revenue generation if additional capital is not secured.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

MEDIUM

### PARTNERS

There is a risk that one or more partners will choose to end their partnership with the Company, which could have a negative impact on the business. There is also a risk that partners of Risk Intelligence do not fully meet the quality requirements imposed by the Company. Lack of quality in service information to clients could lead to decreased trust in the Company and thus lost opportunities for selling the service and generating revenue. Similarly, the establishment of new partners can be costlier and/or may take longer than the Company estimates. Currently, the part of the revenue generated through partners is low, but the plan is to increase this level and hence the impact would potentially be bigger in the future than at the time of writing.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

MEDIUM

### MARKET GROWTH

Risk Intelligence is planning to expand through a combination of organic growth via existing clients, through acquisition of new clients and through partner sales. Growth in markets may lead to problems at the organisational level and may adversely affect Company operations and profit. It may be difficult to recruit the right staff and difficulties may be encountered with respect to the successful integration of new staff into the organisation. With the 2025 Strategy the Company plans to base the growth on the 2023 organisation with some additions meaning the risk from increasing the organisation is minimal. The partner sales will inherently involve more risk as this is mainly outside Risk Intelligence's direct influence.

The Company assesses the likelihood of the risks described above occurring as:

MEDIUM

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

MEDIUM

### OBJECTIVES AND MILESTONES

There is a risk that Risk Intelligences objectives will not be achieved within the established timeframe and that it takes longer than planned to reach the milestones established by the Board of Directors, which implies a risk that the Risk Intelligence operations will be adversely affected. However, given the positive cash flow from operations, the impact on the company will be a lower future profit than planned.

The Company assesses the likelihood of the risks described above occurring as:

MEDIUM

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

### TECHNICAL INTERRUPTION

The Company operations and operating income may be adversely affected by technical interruptions if an operations provider, mobile operator or ISP causes an interruption that results in the Risk Intelligence service being unavailable centrally or locally. With existing procedures for business continuity, the company will be able to re-establish operations within a reasonable time-frame. The company is in the process of implementing ISO 27001, which will minimise the risk of interruptions. Furthermore, the company has implemented business continuity procedures based on ISO 31000, which should reduce the impact of any interruptions.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

MEDIUM

### BUSINESS TRENDS AND CURRENCY RISK

There is a risk that external factors such as inflation, currency and interest rate changes, supply and demand, and economic fluctuations will affect operating costs, sales prices, and share valuation. In addition, there is a risk that the future revenues and share valuations for Risk Intelligence will be adversely affected by these factors, which are beyond the control of the Company. There is a risk that part of the sales revenue will flow into international currency. There is a risk that currency exchange rates will be significantly changed, but not with EUR and DKK that are the two main currencies for invoicing. At the same time international uncertainty fuels risk, which is the foundation of the company.

The Company assesses the likelihood of the risks described above occurring as:

MEDIUM

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

### DISPUTES

There is a risk that Risk Intelligence becomes involved in disputes within the framework of normal business and may be subject to claims regarding contractual matters, product liability and alleged errors in deliveries of the Company products. There is a risk that such disputes and claims will become time consuming, disruptive to normal operations and lead to significant costs. It is not possible to predict the outcome of complex disputes. Thus, disputes can have a negative impact on Company operations, profit and financial position.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

### COMPETITORS

Some of the competitors to Risk Intelligence are multinational companies with large financial resources. An extensive venture and product development by a competitor may lead to risks in the form of worsened sales. Furthermore, companies with global operations working in closely associated areas may decide to establish themselves in the Risk Intelligence business area. There is a risk that increased competition will lead to negative sales and profit effects for the Company in the future. Adversely, while any competitor can build a technical platform for distribution of data it takes a minimum of ten years to build up the intelligence network needed.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

MEDIUM

### DEVELOPMENT COSTS

With the 2025 Strategy Risk Intelligence has decided to focus on content and intelligence analysis and leave development of platforms to partners, which are specialized in this field and will be responsible for maintenance, updates and future-proofing the platform. Risk Intelligence will also continue to work closely with partners to update its production systems, which are independent of the platform and provide data to partners and clients via API. Risk Intelligence has experience in both platform and production system development since 2007 and has successfully launched three platforms on time with third party partners. In principle, the time and cost aspects of this development may initially be difficult to establish with accuracy. This leads to a risk that a planned product development becomes more cost-intensive than planned. Finally, at the time of writing Risk Intelligence is finalising the new platform and is on track.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

### TECHNOLOGICAL DEVELOPMENT

With the ongoing technological development within Artificial Intelligence, there is a risk that the company's business and business model will be overtaken by companies basing their entire business model on artificial intelligence in the medium to long term.

The company has launched an AI strategy in 2019 and has initially introduced an Enterprise Content Management (ECM) with all documents since the start made fully searchable for AI-processes as phase 1. Secondly, as phase 2, all incoming data initially for LandRisk (10,000+ per year) have been partially automated with automatic ID of Google Street view for the incident and entering of data into incident format for final review and saving 1,300+ man-hours per year. All above data plus all new collected from our sources will be processed by AI in the future to support identifying trends, patterns and organisations as phase 3. Finally, as phase 4, in the future, the solution will enable AI-supported analysis, where the solution creates the draft analysis of the subject supporting the analyst's final analysis and assessment. With this approach, Risk Intelligence is seeking to use the best of AI-based technology in combination with human analysis, which should reduce the risk of falling behind technological developments.

Another of the major technological innovation of the recent past, has been the accessibility of the Large Language Models (LLM), made popular by, for example the ChatGPT engine. LLM, in general, refer to statistics-based AI models with a vast number of parameters, often the wider internet, that enable them to understand and generate text with a high degree of fluency and coherence.

LLM such as ChatGPT have shown immense potential in various intelligence applications, including data collection, natural language understanding, and reporting.

As we go forward Risk Intelligence will foster a culture of collaboration between our analysts and AI tools and leverage, for example, LLM to augment our capabilities. LLM already support Risk Intelligence work in a range of functions, and in the future as LLM matures, Risk Intelligence plan to use the tools to enhance our collection, analysis, and reporting to provide better services to our clients.

Risk Intelligence continually monitors new developments in AI and considers every potential for new way to use available. Still, we will continue to recognize the critical importance of human expertise of our people in intelligence analysis. We are also aware of the inherent limitations of AI and LLM in relation to intelligence work, which is why we maintain that our analysts and Duty Watch team are essential to ensure the quality of our products. Therefore, while we aim for synergy with AI tools, our people and experts will remain as human-in-the-loop now and in the future.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

MEDIUM

#### KEY STAFF AND EMPLOYEES

Key staff of Risk Intelligence have extensive skills and long experience within the business area of the Company. A loss of one or several key staff will lead to a risk of negative consequences for the Company operations and profit. In addition, difficulties in recruiting new key staff members will lead to a risk of negative consequences for Risk Intelligence. This is addressed by having redundancy and short- and medium-term plans for positions.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

#### CLIENTS AND PARTNERS

For limited periods of time, some Risk Intelligence clients may account for a large proportion of the total operating revenue for the Company. For example, if a major client should choose to terminate its agreement with Risk Intelligence, this could have a negative impact on both short-term and long-term Company sales, which could lead to reduced operating profit for the Company. There is also a risk present that long-term, stable clients and partner relationships cannot be established. In the event that the Company does not successfully

establish long-term client and partner relationships, there is a risk of a temporary increase in Company losses. With client relationships existing back to 2006 and with the historic churn of 0-2% Risk Intelligence and NRR of 105-116% has proven its ability to establish long-term relationships. In addition, the majority of client agreements are around the average revenue per unit (ARPU) providing stability of revenue. Finally, no single client accounts for more than 10% of revenue.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

### **POLITICAL RISK**

Risk Intelligence is active in a number of different countries. Risks may arise through legislative amendments, changes to taxes, customs, exchange rates and other conditions for foreign companies. The Company may also be affected by political and financial uncertainty factors in these countries. There is a risk that the Company will be adversely affected by any domestic policy decisions. The above leads to a risk of negative consequences for Company operations and profit. Adversely, political risk is part of the foundation of the company. Furthermore, political risk in Denmark and Singapore, where the company and its subsidiary are incorporated, is low.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

### **BRAND**

Risk Intelligence has derived a high standing and is a brand name in the industry. This is derived from consistently delivering quality in the products and services to its clients during many years as well as its close relationships with these clients. The high net retention rate and low churn is a testimony to this. There is a risk that the brand and reputation may be impacted by serious reputational damage.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

MEDIUM

## Risks related to company operations

### SHARE PRICE DEVELOPMENT, VOLATILITY AND LIQUIDITY

Existing and prospective shareholders should consider that an investment in Risk Intelligence is associated with risks and that it cannot be predicted whether the share price will have a positive development. This entails a risk that an investor may lose all or part of their invested capital in the Company. Risk Intelligence's share price has historically been volatile and may continue to fluctuate as a result of, among other things, revenues variations in the Company's quarterly reports, the general economic situation, and changes in the stock market's interest in Risk Intelligence and its shares. Limited liquidity in the shares can also contribute to amplify such fluctuations in the share price.

The share price may thus be affected by factors that are wholly or partly outside Risk Intelligence's control. An investment in Risk Intelligence should therefore be preceded by a careful analysis of the Company, its competitors, general information about the industry, the general economic situation, and other relevant information. There is a risk that shares in the Company cannot be sold to a price acceptable to the shareholder at any given time.

The Company assesses the likelihood of the risks described above occurring as:

MEDIUM

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

### PSYCHOLOGICAL FACTORS

There is a risk that the securities market is influenced by psychological factors. There is a risk that Company shares will be affected in the same way as all other securities that are traded on different lists. In many cases, psychological factors and their effects on price development are difficult to predict and there is a risk that this will have a negative impact on the Company share price.

The Company assesses the likelihood of the risks described above occurring as:

MEDIUM

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

### DIVIDEND

To this day the Company has not paid out any dividends to shareholders. The Company finds itself in a growth phase and any surplus is primarily planned for investment in Risk Intelligence's development. It is the intention of the Board of Directors to recommend the Annual General Meeting to issue dividends when the 2025 Strategy has been fulfilled. However, there is a risk that the Annual General Meeting will not make any decision regarding issuing dividends in the future. Finally, EIFO, the Danish State growth fund, former Vækstfonden, the lender of the long-term loans, has a right to require a balance between dividends and additional repayment of loans.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

#### **EXECUTIVE MANAGEMENT SHAREHOLDINGS IN RISK INTELLIGENCE**

Executive management own shares in Risk Intelligence, which means potential conflicts of interest when decisions are made by executive management regarding an activity in which executive management hold shareholdings and thus act with profit interest. There is a risk that Board members and executive management with shareholdings in Risk Intelligence will make decisions that promote their own interests and that would not promote the interests of other shareholders.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW

#### **MARKETPLACE**

The Company shares is traded on Spotlight, Stock market ("Spotlight"), which is a securities company under the supervision of the Financial Supervisory Authority. Spotlight operates a trading platform (MTF). Shares listed on Spotlight are not subject to the same rules as shares admitted for trading on regulated markets. As a result of the differences in the scope of the different regulations, an investment in shares traded on Spotlight may be riskier than an investment in shares traded on a regulated market. However, to mitigate this risk, Risk Intelligence has from the IPO aimed to fulfil requirements similar for trading on the main market when it comes to governance and financial reporting.

The Company assesses the likelihood of the risks described above occurring as:

LOW

Risk Intelligence assesses that the risks, if realized, would have the following negative impact on the Company:

LOW



# Invitation to subscribe for shares in Risk Intelligence

On 3 October 2023, the Board of Directors resolved to increase Risks share capital by a maximum of 14,158,512 shares of nominally DKK 0.10. The decision was taken pursuant to the authorization granted by the Extraordinary General Meeting on the 3 October 2023. Based on the decision, Risk is now carrying out the Share Issue consisting of new shares. The Share Issue is carried out with preferential rights for existing shareholders, but the public is also invited to acquire units. For each existing share, one (1) unit right is obtained. Thirteen (13) unit rights entitle to subscription of one

(1) unit, containing twelve (12) shares. In addition, investors are offered the opportunity to subscribe for shares without preferential rights. The subscription period for the Share Issue will take place during the period starting from 11 October up to and including 24 October.

If the Share Issue is fully subscribed, the share capital will increase by DKK 1,415,851.2 from DKK 1,533,838.9 to DKK 2,949,690.1 and the number of shares will increase by 14,158,512, from 15,338,389 shares to 29,496,901 shares. The Share Issue will, if fully subscribed, provide the Company with DKK 18.4 million before deduction of transaction related costs of DKK 2.6 million including guarantee compensation (corresponding to 14.1 percent of the Share Issue volume). For existing shareholders, a maximum dilution of 48 percent will be recognized through the Share Issue, if fully subscribed.

The Board of Directors has the right to extend the subscription period, which, if applicable, will be announced by means of a press release by the Company no later than 24 October 2023.

#### **ISSUE VOLUME**

Upon full subscription in the Rights Issue, the Company will receive approximately DKK 15.8 million after deduction of transaction costs, which are estimated to amount to approximately DKK 2.6 million.

#### **SUBSCRIPTION COMMITMENTS AND UNDERWRITING COMMITMENTS**

In connection with the Offering, Risk Intelligence has, in September 2023, received pre-subscription commitments and guarantee commitments of approximately DKK 13.9 million, which corresponds to approximately 75.2 percent of the initial issue volume, of which approximately DKK 5.6 million is made up of pre-subscription commitments and approximately DKK 8.3 million are made up of guarantee commitments. However, subscription commitments received are not secured by bank guarantees, escrow funds, pledges or similar arrangements.

#### **THE BOARD'S LIABILITY ASSURANCE**

The Board of Risk Intelligence is responsible for the content of the Memorandum. The Board of Directors declares that all reasonable precautions have been taken to ensure that, to the best of the Board's knowledge, the information contained in the Memorandum is consistent with the facts and that nothing is omitted that could affect its meaning. The memorandum has not been reviewed or approved by the Danish Financial Supervisory Authority (In Danish: Finanstilsynet).

# Background and motive

Risk Intelligence A/S is a leading provider of security risk intelligence, offering global security threat and risk assessments. With the cutting-edge cloud-based solution, the Risk Intelligence System, clients gain the power to monitor international security threats at sea, in ports, and on land, empowering planning and operations. The Company assists clients operating 15.7% of the World commercial fleet, as well as a range of other private and government clients and two of the world's top three largest logistics companies.

Built for global expansion, the business model is designed for international scalability and with a subscription-based approach, Risk Intelligence generates recurring annual revenue while retaining full scalability at its core.

Risk Intelligence operates from its headquarters located north of Copenhagen, the office in Singapore as well as through staff members in Europe, Asia and North America. Risk Intelligence is listed on the Spotlight Stock market [RISK].

The 2025 Strategy aims to create 30% average year-on-year topline growth throughout the period through a number of strategic initiatives.

First of all, the company will launch a new platform for the Risk Intelligence System, which will increase the revenue streams from one to three: the original standard subscription fees, additional fee-based features and finally, fee-based third-party data.

Secondly, revenue will be increased through partner sales of Risk Intelligence data integrated into their offerings to their clients in parts of the market, which Risk Intelligence has not

approached previously. This is both by increasing the market horizontally, such as the luxury leisure market with cruise and super yachts with MedAire/International SOS, as well as increasing the market vertically with Navtor. Navtor will be launching products with Risk Intelligence data, which will be used by other parts of the organisation of the shipping companies. Both partners are expected to launch the products during 2024.

Finally, the 2025 Strategy aims for a positive net result from 2024, which is supported by the change to positive cash-flow from operations during Q4 2023 and onwards, as no further significant costs or investments are required to support the strategy.

To support the 2025 Strategy, the Board of Directors has decided to address the balance, reestablish the equity, remove all short-term debt, establish a sufficient liquidity reserve and secure capital for investments. This will enable a stable platform for the remaining elements of the 2025 Strategy and significantly reduce financial costs of up to DKK 1.5M leading to improved EBT.



## Use Of Issue Liquidity

Upon full subscription in the Rights Issue, Risk Intelligence will receive approx. DKK 18.4 million before issue costs, which are estimated to amount to up to approx. DKK 2.6 million. The net proceeds from the Rights Issue of approx. DKK 15.8 million will together with a long-term loan with EIFO, the Danish State growth fund, former Vækstfonden, of up to DKK 5 million (based on conditional commitments), or a total of DKK 20.8 million are intended to be available for the following uses, in priority order with estimated distribution of the issue and loan proceeds:

- Investments in the new platform (approximately DKK 2 million).
- Removal of all short-term loans (approximately DKK 13 million).
- General liquidity reserve and for growth initiatives (approximately 5.8 million).

If the Rights Issue is not fully subscribed, the company will due to the pre-subscription and underwriting receive a minimum of net DKK 11.5 million plus 5 million in loans. The impact will be Risk Intelligence will subsequently reduce the liquidity reserve to DKK 1.5 million, which in combination of credit line in the bank, the Board finds sufficient for the operation of the company. In particular since the company is expected turn cash flow positive from operations in Q4 2023.

# Documents incorporated by reference

Investors should read all the information incorporated into the Memorandum by reference and the information referenced should be read as part of the Memorandum. The information set out below as part of the following documents shall be deemed incorporated by reference into the Memorandum. Copies of the Memorandum and the documents incorporated by reference may be obtained from Risk Intelligence electronically via the Company's website, [riskintelligence.eu](https://riskintelligence.eu), or obtained by the Company in paper format at the Company's head office with address Strandvejen 100, 2900 Hellerup, Denmark. The parts of the documents that are not incorporated into the Memorandum are either not deemed to be relevant to investors or the corresponding information is reproduced elsewhere in the Memorandum.

Please note that the information on Risk Intelligence's or third party's website is not included in the Memorandum unless this information is incorporated into the Memorandum by reference.

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Risk Intelligence's annual report for the financial year 2022 can be found at the following clickable link: [Annual Report 2022](#)

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Risk Intelligence's annual report for the financial year 2021 can be found at the following clickable link: [Annual Report 2021](#)

# Terms and conditions of the Offering

## **OFFERING AND PROCEEDS**

The Offering comprises of up to 14,158,512 New Shares. Upon full subscription of the Offering, the gross proceeds will be DKK 18,406,065.60 and the new proceeds (gross proceeds less the Company's estimated costs related to the Offering) are expected to amount to a total of DKK 15,6 million, assuming all New Shares are subscribed for.

## **SUBSCRIPTION RATIO, SUBSCRIPTION PRICE AND ALLOCATION OF PRE-EMPTIVE RIGHTS INCLUDING ACTION REQUIRED TO APPLY FOR THE OFFERING, ETC.**

- The Offering consists of a rights issue of Shares in Denmark.
- The Company is offering 14,158,512 New Shares with a nominal value of DKK 0.10 at the Subscription Price and with Pre-emptive Rights for the Existing Shareholders.
- A total of 14,158,512 Shares will be issued if the rights issue is fully subscribed. Each holder of Existing Shares registered with Euronext Securities on 10 October 2023 at 5:59 p.m. CET as a shareholder in the Company will be allocated one (1) Pre-emptive Right for each Existing Share.
- For thirteen (13) Pre-emptive Rights, the holder is entitled to subscribe for twelve (12) New Shares of a nominal value of DKK 0.10 at a Subscription Price of DKK 1.30 per New Share.
- Due to technical reasons, the Offer Shares will be delivered in temporary units, where thirteen (13) subscription rights will entitle to subscription of one (1) temporary unit. One (1) temporary unit contains of twelve (12) shares. The temporary unit will have ISIN code DK0062501573.
- The Rights Trading Period commences on 11 October 2023 at 9:00 a.m. CET and closes on 20 October 2023 at 5:00 p.m. CET.
- The Subscription Period for New Shares commences 11 October 2023 at 9:00 a.m. CET and closes on 24 October 2023 at 5:00 p.m. CET.
- Any Pre-emptive Rights not exercised during the Subscription Period will lapse with no value, and the holder of such Pre-emptive Rights will not be entitled to compensation. Once a holder of Pre-emptive Rights has exercised such rights and subscribed for New Shares, such subscription cannot be withdrawn or modified by the holder.

The Pre-emptive Rights have been approved for trading and official listing on Spotlight Stock Market Denmark to the effect that they can be traded on Spotlight during the Rights Trading Period in the temporary ISIN code DK0062501656. The Pre-emptive Rights, the temporary Units and the New Shares, following automatic conversion from temporary Units, will be delivered in book-entry form through allocation to accounts with Euronext Securities.



Completion of the Offering and registration of the New Shares with the Danish Business Authority is expected to take place on 1 November 2023. The Company's register of shareholders is kept by Euronext Securities.

Existing Shares traded from 9 October 2023 at 9:00 a.m CET will be traded without Pre-emptive Rights, provided that the Existing Shares are traded with customary two-day settlement.

The temporary Units have been approved for trading and official listing on Spotlight Stock Market Denmark to the effect that they can be traded on Spotlight Stock Market during the Period 11 October 2023 until 20 October 2023.

The temporary Units will be issued under the temporary ISIN code DK0062501573. Registration of the New Shares with the Danish Business Authority will take place following completion of the Offering, expected to take place on 1 November 2023.

As soon as possible after registration of the New Shares, the temporary ISIN code of the temporary Units, DK0062501573, will be merged with the ISIN code of the Existing Shares DK0061031978, and the temporary Units will automatically be converted into New Shares, expected to take place on 8 November 2023.

**PAYMENTS AND DELIVERY OF THE PRE-EMPTIVE RIGHTS**

Upon exercise of the Pre-emptive Rights, the holder must pay an amount equal to the Subscription Price multiplied by the number of New Units subscribed for. Payment for the New Shares shall be made in DKK and shall be made upon subscription against registration of the New Shares in the transferee's account with Euronext Securities no later than 24 October 2023 at 5:00 p.m. Holders of Pre-emptive Rights shall adhere to the account agreement with their own Danish custodian institution or other financial intermediary, through which they hold Existing Shares. Financial intermediaries through which a holder holds Pre-emptive Rights may require payment on an earlier date.

**SUBSCRIPTION PERIOD**

The Subscription Period of the New Shares will commence on 11 October 2023 at 9:00 a.m. CET and will close on 24 October 2023 at 5:00 p.m. CET.

**REDUCTION OF SUBSCRIPTION**

Reduction of subscription is not applicable in connection with the Offering. The subscription is binding.

**MINIMUM AND MAXIMUM SUBSCRIPTION AMOUNTS**

In connection with the Offering, the minimum number of New Shares that a holder of Pre-emptive Rights may subscribe for will be twelve (12) New Shares, requiring the exercise of thirteen (13) Pre-emptive Rights and the payment of the Subscription Price. The New Shares will be delivered in temporary Units, where one (1) temporary Unit contains twelve (12) New Shares. The number of New Shares that a holder of Pre-emptive Rights may subscribe for is not capped. However, the number is limited to the number of New Shares that may be subscribed for through the exercise of the Pre-emptive Rights held or acquired.

**SUBSCRIPTION FOR REMAINING SHARES**

The general public and existing shareholders can subscribe for any Remaining Shares. Due to technical reasons, subscription will be made for Temporary Units, where one (1) temporary Unit contains twelve (12) New Shares. Existing shareholders have preferential rights to subscribe for Remaining Shares. The general public will not subscribe for Remaining Shares by exercising unexercised Pre-emptive Rights (which will have lapsed). Such Remaining Shares will be subscribed for at the Subscription Price. Subscription shall be made on a subscription form, which is available on the Company's website. The subscription shall be filled out and submitted to the account holders own bank according to their respective instructions.

In case of oversubscription of Remaining Shares in connection with the Offering, such Remaining Shares will be allocated according to apportionment keys determined by the Board of Directors.

If the subscriptions for Remaining Shares do not exceed the number of Remaining Shares, the Company will issue the number of Remaining Shares subscribed for.

**PAYMENTS AND DELIVERY FOR REMAINING SHARES**

Upon subscription of the Remaining Shares, the holder must pay an amount equal to the Subscription Price multiplied by the number of New Shares allocated. Payment for Remaining Shares will be made via a delivery versus payment transfer through the subscriber's own bank and will be withdrawn from the account by the subscribers own account holding bank or broker.

**ANNOUNCEMENTS OF THE RESULTS OF THE OFFERING**

The results of the Offering will be communicated in a company announcement expected to be published through Spotlight Stock Market no later than three trading days after the expiry of the Subscription Period and therefore expected to be announced on 27 October 2023.

**WITHDRAWAL OR SUSPENSION OF THE OFFERING**

The Offering may be withdrawn by the Company subject to certain conditions before registration of the capital increase relating to the New Shares with the Danish Business Authority. If the Offering is withdrawn, any exercise of Pre-emptive Rights that has already taken place will be cancelled automatically. The subscription amount for the New Shares will be refunded (less any transaction costs) to the last registered owner of the temporary Shares as at the date of such withdrawal. All Pre-emptive Rights will lapse, and no New Shares will be issued. Trades of Pre-emptive Rights executed during the Rights Trading Period will, however, not be affected. Consequently, investors who have acquired Pre-emptive Rights will incur a loss corresponding to the purchase price of the Pre-emptive Rights and any transaction costs. Trades in Existing Shares and temporary Shares will also not be affected if the Offering does not complete, and Shareholders and investors that have acquired temporary Shares will receive a refund of the subscription amount for the New Shares (less any transaction costs). As a result, Shareholders and investors that have acquired temporary Shares will incur a loss corresponding to the difference between the purchase price of the temporary Shares and the Subscription Price paid for the New Shares and any transaction costs.

The Company is entitled to withdraw the Offer (a) if the Company decides not to pursue with the Offering, (b) the Admission is withdrawn by Spotlight Stock Market, (c) the registration of the New Shares is refused by the Danish Business Authority.

The Company is not liable for any losses that investors may suffer as a result of withdrawal of the Offering including but not limited to, any transaction costs or lost interest. A withdrawal of the Offering will be announced as a company announcement through a press release.

The Company is not authorized to close the Offer on an earlier date than the last subscription date.

**PROCEDURE FOR THE EXERCISE OF AND TRADING IN PRE-EMPTIVE RIGHTS**

The Pre-emptive Rights have been approved for trading and official listing on Spotlight under the ISIN code DK0062501656 and will be traded in the ISIN

code under the symbol "RISK Intel./T-Ret". Holders of Pre-emptive Rights wishing to subscribe for New Shares must do so through their own custodian institution, in accordance with the rules of such institution. The deadline for notification of exercise depends on the holder's agreement with, and the rules and procedures of, the relevant custodian institution or other financial intermediary and may be earlier than the end of the Subscription Period. Once a holder has exercised its Pre-emptive Rights, the exercise may not be revoked or modified. During the Rights Trading Period, holders of Pre-emptive Rights who do not wish to exercise their Pre-emptive Rights to subscribe for New Shares may sell their Pre-emptive Rights on Spotlight Stock Market, and a purchaser may use the acquired Pre-emptive Rights to subscribe for New Shares. Holders wishing to sell their Pre-emptive Rights should instruct their custodian institution or other financial intermediary accordingly. Any holders of Pre-emptive Rights that exercise any of their Pre-emptive Rights shall be deemed to have represented that they have complied with all applicable laws. Custodian banks exercising Pre-emptive Rights on behalf of beneficial holders shall be deemed to have represented that they have complied with the offering procedures set forth in this Prospectus.

Upon exercise of Pre-emptive Rights and payment of the Subscription Price, the temporary Units will be delivered through Euronext Securities by being recorded on subscribers for New Shares accounts with Euronext Securities. The temporary Units will be issued under the temporary ISIN code DK0062501573. The temporary Units will be admitted to trading and official listing on Spotlight Stock Market. The temporary Units are registered in Euronext Securities for the subscription of the New Shares. Upon expiry of the Subscription Period, any Pre-emptive Rights not exercised will lapse without value, and the holders of lapsed Pre-emptive Rights will not be entitled to any compensation.

#### **SUBSCRIPTION ABOVE EUR 15,000**

If the subscription amounts to, or exceeds, 15,000.00 EUR a money laundering form shall be completed and sent to Nordic Issuing in accordance with the Swedish Act (2017:630) on measures against money laundering and terrorist financing. Please observe that Nordic Issuing cannot distribute any securities, even if payment have been received, before the money laundering form has been received by Nordic Issuing.

#### **INFORMATION REGARDING LEI AND NCI NUMBERS**

According to the securities trading regulations that came into effect on 3 January, 2018, all investors need to have a global identification code in order to carry out securities transactions. These requirements mean that legal entities need to apply for registration of a so-called Legal Entity Identifier (LEI) and natural persons find out their National Client Identifier (NCI) in order to be able to subscribe for shares in the Offer. Please note that it is the legal status of the signatory that determines whether an LEI code or NCI number is required, and that Nordic Issuing may be prevented from executing the transaction for the person concerned if the LEI code or NCI number (as applicable) is not provided. Legal entities that need to obtain an LEI code can turn to one of the providers

on the market. Instructions for the global LEI system can be found at [gleif.org](http://gleif.org). For physical persons who only have Swedish citizenship, the NCI number consists of the designation SE followed by the person's social security number. If the person in question has several citizenships or something other than Swedish citizenship, the NCI number can be some other type of number. Those who intend to subscribe for shares in the Offer are encouraged to apply for the registration of an LEI code (legal entities) or find out their NCI number (physical persons) in good time in order to have the right to participate in the Offer and/or be able to be allocated new shares that are subscribed for.

#### **JURISDICTIONS IN WHICH THE OFFERING WILL BE ANNOUNCED AND RESTRICTIONS APPLICABLE TO THE OFFERING**

The distribution of this Memorandum and the Offering is restricted by law in certain jurisdictions, and this Memorandum may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

#### **WITHDRAWAL OF APPLICATIONS OF SUBSCRIPTION**

Instructions to exercise Pre-emptive Rights or subscriptions of Remaining Shares related to the New Shares are irrevocable.

#### **PLAN OF DISTRIBUTION AND ALLOTMENT AND PROCESS FOR NOTIFYING APPLICANTS**

There is no pre-allotment of New Shares. The New Shares may be subscribed for by the Existing Shareholders of the Company according to the Pre-emptive Rights allocated. New Shares which have not been subscribed for by the Existing Shareholders before the expiry of the Subscription Period will be allocated to subscriptions made by the general public. The subscribers will be notified the number of New Shares allotted, by their own bank.

#### **SUBSCRIPTION PRICE AND AMOUNT OF ANY EXPENSES AND TAXES CHARGED**

The New Shares are offered at the Subscription Price of DKK 1.30 per New Share, corresponding to DKK 15.60 per temporary Unit (excluding fees, if any, from the investor's own custodian bank or brokers). The amount of any expenses and taxes the investor can be charged is in accordance with current legislation, including any applicable double taxation agreements.

#### **COMPLETION OF THE OFFERING**

The Offering will only be completed if and when the New Shares subscribed for are issued by the Company upon registration with the Danish Business Authority, which is expected to take place no later than on 1 November 2023. A company announcement concerning the results of the Offering is expected to be disclosed no later than on 27 October 2023.

#### **DILUTION**

As per the Prospectus Date, the Company's registered share capital had a nominal value of DKK 1,533,838.90 divided into 15,338,389 Existing Shares with

a nominal value of DKK 0.10. All Existing Shares are issued and fully paid up, and each Existing Share represents 1 vote. Upon issue of the New Shares, the percentage of ownership of the Existing Shareholders may be reduced. If the Existing Shareholders refrain from exercising Pre-emptive Rights allocated to them in connection with the Offering, each Existing Shareholder's ownership will be diluted by approximately 48 %. If the Existing Shareholders elect to partly exercise the Pre-emptive Rights allocated to them, the rate of dilution will be between 0 to 48% depending of the exercise. If the Existing Shareholders exercise their Pre-emptive Rights in full, they will not be diluted.

#### **PRE-SUBSCRIPTION COMMITMENTS AND UNDERWRITING COMMITMENTS**

Risk Intelligence has, in September 2023, received pre-subscription commitments and guarantee commitments of approximately DKK 13.9 million, which corresponds to approximately 75.2 percent of the initial issue volume, of which approximately DKK 5.6 million is made up of pre-subscription commitments and approximately DKK 8.3 million are made up of guarantee commitments. The parties that have entered into pre-subscription commitments and guarantee commitments are listed in the tables below. All parties that have entered subscription commitments or guarantee commitments can be reached via the Company's address.

#### **PRE-SUBSCRIPTION COMMITMENTS**

All subscription commitments were agreed to in writing in September 2023. The subscription commitments have not been secured via a pre-transaction, bank guarantee, or the like. However, if the subscriber fails to fulfil the subscription commitment, the subscriber must pay a fine to the Company amounting to 100 percent of the subscription commitment. The parties that have submitted subscription commitments are presented below.



NAME	AMOUNT, DKK	SHARE OF ISSUE, %	ADDRESS**
Jan Holm*	500,006.00	2.7%	
J. Reeh Holding ApS	500,006.00	2.7%	Søro 9, 4000 Roskilde
KP Invest Holding ApS	500,006.00	2.7%	Valborg Allé 5, 2500 Valby
Johan Aksel Bergendorff	500,006.00	2.7%	
SG Trading and Investments PTE Ltd	500,006.00	2.7%	101 Upper Cross Street, People's Park Centre, Singapore
Proventa ApS <sup>1</sup>	450,008.00	2.4%	Helgesvej 3, st, 4000 Roskilde
Sandbjerg Holding ApS <sup>2</sup>	250,003.00	1.4%	Gøngehusvej 16, 2950 Vedbæk
Stig Streit Jensen*	250,003.00	1.4%	
Fremad Bagud Holding ApS	200,005.00	1.1%	Henrik Nielsens Vej 25, 4000 Roskilde
Hübertz Holding Aps	200,005.00	1.1%	Ro's Torv 1, 4000 Roskilde
CHW Holding Aps	200,005.00	1.1%	Frederiksborgvej 1 13, 4000 Roskilde
Capivar Holding ApS	200,005.00	1.1%	Himmelevgårdsvej 5, 4000 Roskilde
Morten Ibsen	200,005.00	1.1%	
Falvir Invest AB	160,004.00	0.9%	Tåstrupsgatan 2 262 32 Ängelholm
Jan Grønneskov Kvist	130,000.00	0.7%	
Jan Skjoldby	125,008.00	0.7%	
Hamma Holding	100,009.00	0.5%	Kvæsthusgade 5C, stuen 1251 København K
Jeppe Hacke	100,009.00	0.5%	
Trine Frydendahl Kvist	100,009.00	0.5%	
Ahrens Holding	100,009.00	0.5%	Gammel Landevej 15, 4000 Roskilde
Jens Lorens Poulsen*	80,000.70	0.4%	
Dirk Siebels	75,010.00	0.4%	
James Pascoe*	50,011.00	0.3%	
Niels Worsøe*	50,011.00	0.3%	
Henrik Ehlers Kragh*	40,001.00	0.2%	
<b>TOTAL</b>	<b>5,560,150.70</b>	<b>30.2%</b>	

\*Board members and management that are subscribing for shares in the Rights Issue in total of approx. DKK 1.6 million.

<sup>1</sup> Jens Krøis, CFO.

<sup>2</sup> Hans Tino Hansen, CEO.

\*\*Natural persons who have entered into an agreement on guarantee commitments can be reached through:

Corpura Fondkommission at the address Artillerigatan 42, 114 45 Stockholm or the Company's address, Strandvejen 100, 2900 Hellerup, Denmark

**GUARANTEE COMMITMENTS**

The guarantee commitments entail the right to compensation of 12% of the guaranteed amount. The guarantee compensation for the guarantees provided amounts to a total of approximately DKK 1 million. All guarantee commitments were entered into in September 2023. The guarantee commitments have not been secured via a pre-transaction, bank guarantee, or the like. However, if the guarantor fails to fulfil the guarantee commitment, the guarantor must pay a fine to the Company amounting to 100 percent of the guaranteed amount. The parties who have entered into guarantee commitments are listed in the tables below.

In case the Issue of Units is subscribed for less than approx. 75.2 percent, each guarantor below has committed to subscribe for units for a maximum of the guaranteed amount specified in the table below. All parties that have entered subscription commitments or guarantee commitments can be reached via the Company's address.

NAME	AMOUNT, DKK	SHARE OF ISSUE, %	ADRESS**
Johan Waldhe	1,250,000.00	6.8%	
Gainbridge Novus Nordic	1,000,000.00	5.4%	Stortorget 3 211 22 Malmö
Pronator Invest AB	350,000.00	1.9%	Rådmansgatan 71, 1402, 11360 Stockholm
Göran Ofsen	350,000.00	1.9%	
Stefan Hansson	350,000.00	1.9%	
Falvir Invest AB	315,000.00	1.7%	Tåstrupsgatan 2 262 32 Ängelholm
Tellus Equity Partners AB	301,729.52	1.6%	Skeppargatan 102, 115 30 Stockholm
Robert Buren	300,000.00	1.6%	
Vilhelm Luttemo	300,000.00	1.6%	
Frostberget invest AB	300,000.00	1.6%	Backebövägen 10 441 44 Alingsås
Mattias Svensson	300,000.00	1.6%	
Björn Olander	300,000.00	1.6%	
Christian Månsson	300,000.00	1.6%	
UBB Consulting AB	250,000.00	1.4%	Drakflygargatan 6, 12836 Skarpnäck
LTZ CAPITAL AB	248,000.00	1.3%	Vingvägen 8 22651 Lund

NAME	AMOUNT, DKK	SHARE OF ISSUE, %	ADRESS**
Jens Miöen	200,000.00	1.1%	
Elvil AB	200,000.00	1.1%	Lilla Torg 1, 21122 Malmö
Medical Minds AB	185,000.00	1.0%	Dag Hammarskjölds väg 26
Hormoz Dehghani	160,000.00	0.9%	
Magnus Hoffman	160,000.00	0.9%	
Ola Lauritzson AB	150,000.00	0.8%	Svarvargatan 11, 112 49 Stockholm
Mikael Blihagen	150,000.00	0.8%	
Marcus Jensmar	150,000.00	0.8%	
Magnus Uhlin	130,000.00	0.7%	
Fredrik Åhlander	125,000.00	0.7%	
Simon Hammarström	100,000.00	0.5%	
Tony Chouha	100,000.00	0.5%	
Ghanem Georges Chouha	100,000.00	0.5%	
Dyrvall Invest AB	63,000.00	0.3%	Jomyra 142, 91593 Robertsfors
Värmecentralen Stockholm Ab	63,000.00	0.3%	Bersåvägen 7 19565 Steninghöjden
Premex Consulting AB	32,000.00	0.2%	Skrivarevägen 46, 226 57 LUND
<b>TOTAL:</b>	<b>8,282,729.52</b>	<b>45.0%</b>	

\*\*Natural persons who have entered into an agreement on guarantee commitments can be reached through

Corpura Fondkommission at the address Artillerigatan 42, 114 45 Stockholm or the Company's address, Strandvejen 100, 2900 Hellerup, Denmark

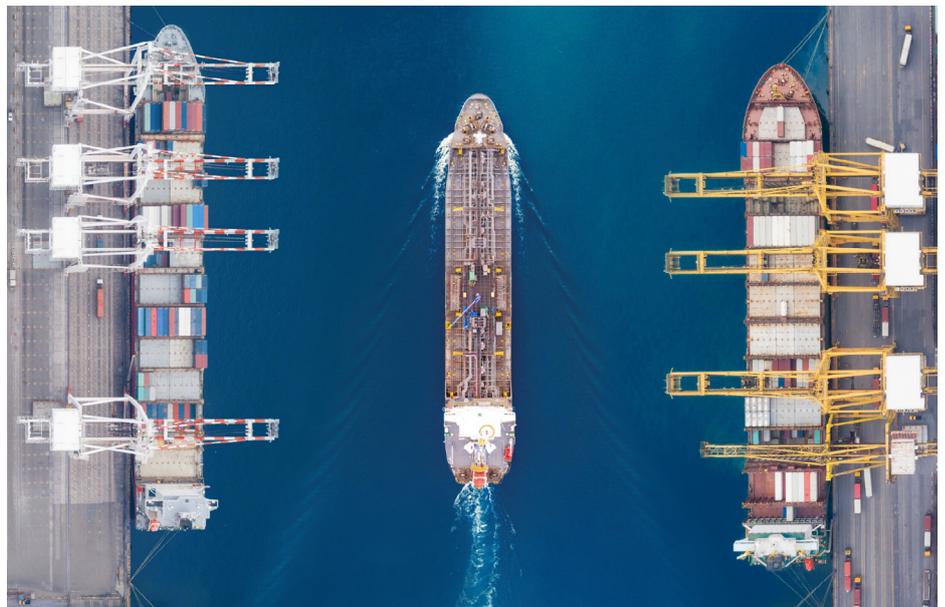
#### FINANCIAL ADVISER, ISSUING AND SETTLEMENT AGENT

Corpura Fondkommission acts as financial adviser in connection with the rights issue and Euronext Securities A/S is the Company's issuing agent. Nordic Issuing is acting as settlement agent.

# Market overview

## Summary

Risk Intelligence covers security threats to operations and transport and logistics in maritime, ports and land-side, where the maritime and ports are primarily targeted towards the maritime market with the Risk Intelligence System's maritime product consisting of MaRisk and PortRisk, while the landside transportation and logistics is targeted with Risk Intelligence System's landside products LandRisk and LandRisk Logistics.



## Markets

### THE MARITIME MARKET

Risk Intelligence primarily targets transport operators who are concerned with protecting their assets. Whilst the company also serve government agencies and adjunct enterprises such as insurers, the majority of clients are within shipping. With the 2025 Strategy the company is expanding the maritime market horizontally and vertically through partnerships.

The maritime market clients are mainly with shipowners, ship managers, energy, oil and gas companies as well as offshore companies, maritime and sub-sea construction and surveying companies as well as with shipowners' organisations, marine insurers and especially War Risk insurers. The maritime government market are flag state authorities, ministries of defence, defence commands, navies, intelligence services as well as security and law enforcement.

The estimated TAM prior to the launch of the new strategy is DKK 533 million according to the latest maritime market study carried out by Thetius for Risk Intelligence in 2022<sup>1</sup>. With the 2025 Strategy the TAM will increase due to the expansion of the market to potentially grow to 1,050 million by 2027.

Among the Company's maritime clients, it is commonly the shipping companies' security departments or Company Security Officers (depending on the size of the company) that are asked to assess voyages to unfamiliar ports or through unfamiliar waters. Regularly sailed routes, even when they involve exposure to known threats, are also assessed but at less frequent intervals.

The maritime products MaRisk and PortRisk are not considered, by Risk Intelligence, to be 'compliance' products, because they do not target any specific regulation or official requirement but are the basis for informed risk assessments carried out by the client. The ISPS code for maritime security do demand that the Company Security Officers are using some kind of unspecified sources and/or intelligence tool. Risk Intelligence believes that its users are mainly motivated by a desire to cover themselves in the event of a Maritime loss-incurring incident, or because a cargo owner demands that comprehensive voyage risk assessments are carried out and mitigation measures put in place.

In addition to logging into the System and receiving email alerts the client has access to the Duty Watch team manned 24/7/365 for additional questions related to incidents and alerts. In most cases where a client contacts the Duty Watch team for more information, even where the system is made available to the ship's crew directly, enquiries will be received from client office-based staff. Whenever Risk Intelligence responds to a client enquiry, the Company will always reply to, or copy in, the client's Company Security Officer (CSO) so that they are aware of what has been said.

In addition to the Risk Intelligence System, the Company also provides a range of bespoke and semi-bespoke advisory services including voyage and port security risk assessments to risk assessments of operations or regional planning. Risk Intelligence is also asked to provide expert witness services during legal proceedings due to the comprehensive database and the insights and level of analysis and assessment of the analysts. Voyage risk assessments that are brought into question are sometimes compared against the status of the area at the time according to Risk Intelligence data. The specialist knowledge is a key factor - the ability to be confident in the quality of the risk assessments and the ability to rely on it in the event of an incident that causes an investigation into due process by the carrier.

#### **COMPETITORS**

32 active companies have been identified in the reports as competitors, meaning those who might reasonably capture business away from Risk Intelligence with a competing offering. 63% of these competitors have been identified as

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1 Maritime Market Opportunities for Risk Intelligence report by Thetius, April 2022.

primary risk intelligence providers. However, 53% of the identified primary risk intelligence providers still offer a secondary maritime security service/product (e.g. Ambrey). Risk Intelligence welcomes competition and would always prefer to be in a market with sound competition as this is a sign that our market is mature and strong. The competitors include a wide range of companies around the world with a predominance of British-based companies and while many companies have or claim to have an intelligence department/section, there are not that many true security intelligence analysis companies and few that are close to be the same type of company as Risk Intelligence. However, it is the clients and potential clients that decide who they perceive as competitors and not Risk Intelligence that in the end decides who the competitors are. In essence, that means that to some potential clients a free Internet service might be seen as a competitor, while to others it would only be companies that are close to delivering the same type of high quality services to Risk Intelligence. In general, a range of companies are delivering products and services that compete with parts of Risk Intelligence's products and services, but very few that deliver the same type of end-to-end product.

One of the most comparable competitors is Dryad Maritime in the United Kingdom that offers both maritime-focused security intelligence analysis such as Risk Intelligence and security monitoring services, which Risk Intelligence does not. Then there are a number of other companies that have a product and service range which also includes a competing product. One such example is NYA from United Kingdom that offers MarTrack, which to some extent is a competing product to MaRisk and has vessel tracking included just like fleet tracking solutions can be integrated into Risk Intelligence System maps. Other companies provide a wider web-based security solution which focuses more on political risk and corporate travel security. One such example is the large British-based ControlRisks with its CORE product that can be tailored through add-ons for maritime, economics, travelling, cyber and other areas. In terms of our Advisory Services there are many competitors ranging from small to large such as e.g. ControlRisks. With the introduction of LandRisk, Risk Intelligence has become the first company with a security risk product that covers the entire logistics chain seen from a tactical/operational level.

#### **THE LAND-BASED MARKET**

Risk Intelligence is, during the 2025 Strategy, focusing on the European market for land-based security intelligence as this market is potentially large and with a higher level of data than other regions in the World. The estimated TAM for Europe is DKK 620 million in likely scenario to DKK 1,220 million in high scenario<sup>2</sup>. The market is composed by a number of companies that are either providing logistical services or are forwarding freight through, or providing services to, Logistics companies.

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<sup>2</sup> Estimate bases on the EUR 8.2bn reported by the European Parliament study on organised theft of cargo from commercial vehicles in the EU and estimated 1-2% being spent on loss prevention. The 8.2bn for the EU is a rather low figure compared to Germany alone is reporting EUR 2.2bn according to a study by 13 leading industry associations.

Within the logistics segment there are major companies such as DHL, DSV, Maersk, DB Schenker, UPS, FedEx etc that provide logistics services and often subcontract to other smaller logistics companies. These are all existing or potential clients for LandRisk Logistics. In the next level there are a range of large medium sized companies such as Gebrüder Weiss that are also potential clients, while the next level of smaller companies is assessed as relevant if they are involved in transport of high value goods or other special cargo.



***As for maritime insurance then the insurance market for land-based transportation and logistics is relevant and Risk Intelligence is already in discussions with the industry.***

The Manufacturers mainly of higher value products such as electronics, household appliances, cigarettes but also other commodities that are attractive including food, beverages and easily sold items such as diapers, razors etc that are light and easy to sell. The same applies to high value goods in the luxury market, which normally has a higher level of security, but also a higher level of risk.

The pharmaceutical industry is heavily regulated with strong compliance requirements moving high value loads that if compromised may be deemed contaminated. The industry has a high reputational risk for losses or contamination and have extensive fleet and temperature monitoring, and it is a focus target group for LandRisk Logistics.

As for maritime insurance then the insurance market for land-based transportation and logistics is relevant and Risk Intelligence is already in discussions with the industry.

The 3rd party secure parking booking operators, which enable booking of own- or third-party secure parking areas in Europe are potential partners. These are partnerships opportunities with companies like Bosch, Otra, Truck parking Europe, SNAP etc, and discussions about integrating their data into LandRisk Logistics is already underway.

### **POTENTIAL PARTNERSHIPS**

Discussions are underway with potential complementary partners such as Bosch Secure Parking and FreightSafe, it is clear that with pre-emptive intelligence, easy booking and effective mitigation measures in place it is a very attractive package to take to the cargo insurance market who are increasingly frustrated with ongoing losses. This can also drive passive revenue streams from booking referrals.

### **COMPETITORS FOR LANDRISK LOGISTICS**

There are currently no direct competitors to LandRisk Logistics in Europe, but there are a number of commercial products available that partly competes for the same clients. In addition, there are some membership-based or fee-based services, which in some ways compete with similar information on theft but do not have the analysis and assessment or the features of LandRisk Logistics.

One service is TIS by TAPA, which is a Not-for-profit organisation with around 600 members including logistics providers, manufacturers, security providers as well as intelligence providers including Risk Intelligence. Their TIS has some of the same data as LandRisk Logistics, but lacks alerts, the granular detail of incident intelligence and has no dashboards, route risk assessments or incident notifications. Another service is NAVCIS by the UK police, which has semi commercial database with lists cargo theft incidents in the UK together with periodic reports. This is UK based only. It has a very comprehensive database of incidents which is unrivalled but lacks the comprehensive features of LandRisk Logistics and only covers the UK.

On the commercial side supply chain security solutions like offered by Everstream Analytics are partly competing with data on the supply chain. Furthermore, their products are partly based on the former DHL 360 service, which also, to some extent, covered land-based transportation. The service is addressing the operational and strategic level, whereas LandRisk Logistics is addressing the tactical and operational level of supply chain logistics.

Overhaul, which recently acquired Sensitech, is a company that provides tracking and oversight of trucks and trailers and real time alerts on operational events such as temperature of refrigerated trailers but also trailer door opening alerts. Door opening alerts and driver deviations from routes provide input to recovery operations to enable users to recover stolen cargo. They have a wide client base with a number of large clients that provide extensive knowledge on the supply chain pain points of various manufacturers and shippers. Overhaul can be considered an indirect competitor who may at some point attempt to enter the security risk intelligence field with or without Risk Intelligence.

The same applies to BSI and their BSI Supply Chain Services and Solutions, which are also primarily addressing one level higher in supply chain logistics but has a higher degree of overlap with the features and level of analysis of LandRisk Logistics. Another commercial example is Motorway Buddy, which is an App providing details on parking areas with cargo theft info but is limited to the UK and not with the same features as LandRisk Logistics.

# Business description



## Risk Intelligence in brief

Risk Intelligence was founded in 2001 by Hans Tino Hansen. The Company has evolved into becoming a leading company within security risk intelligence by delivering threat and risk assessments globally primarily as Intelligence as a Service. Risk Intelligence assists its clients and partners through offices north of Copenhagen and in Singapore as well as staff in Europe, Asia and North America.

The business has been designed with scalability in mind and the Company is globally regarded as experts in its field of business. Risk Intelligence provides the Risk Intelligence System (MaRisk + PortRisk + LandRisk) that allows clients to monitor global security risks to enable businesses to plan and implement missions in risk areas. The data is collected from direct local sources, on-site-analysts and from a major international intelligence network

## Risk Intelligence has undergone the following phases:

### **2001 – 2007:**

Establishment as a security threat consultancy primarily to government clients and signing of the first commercial maritime clients in 2004 and 2005.

### **2008 – 2013:**

Operations were scaled up in 2008 upon launch of the digital platform with the MaRisk product, which was customised to maritime operations.

### **2014 – 2016:**

Launch of the new platform and the second digital product - PortRisk (2015) and a new version of MaRisk (2016).

### **2017:**

Development of Growth Plan for 2020. Initial internal development of the Company's third module LandRisk has begun, which has been requested by the existing customer base. With LandRisk, the Risk Intelligence System will link a whole industry chain of identification and selection of risks and threats, both on land and at sea. With LandRisk, Risk Intelligence's addressable market will increase more than tenfold.

### **2018:**

Launch of Growth Plan for 2020 as well as IPO and listing on Spotlight Stock Exchange. New office in Hellerup north of Copenhagen and hiring of a range of key staff members. End year Risk Intelligence completed the Beta test version phase of LandRisk together with the current pilot project clients.

### **2019:**

LandRisk was launched at an event in Düsseldorf, Germany on 1 October. In May Risk Intelligence launched an ambitious data and artificial intelligence (AI) project over the next three years, which will substantially and funda-

mentally improve the use of data in Risk Intelligence and accelerate pace of operations and reduce production costs. In August Risk Intelligence launched Risk Intelligence Singapore Pte Ltd and the office in Singapore, which serves as a hub for client relations and sales in Asia as well as an analytical centre.

### **2020:**

Successfully completes the first and second phase of its data and AI strategy, effectively enabling AI and Machine Learning. In March Risk Intelligence launched webinars to increase client relations and online content delivery in response to the COVID-19 situation and continued during the year to improve digital communication. In January the first client signed up for LandRisk and in December Sony Europe signed up for LandRisk as the first major global client.

### **2021:**

Launched the new product LandRisk Logistics, which is a 360-degree solution for logistics security and includes the Lane Threat Assessment Tool with security threat overview of individually selected transport lanes as well as for alternative routes. It provides automated updates and dashboards of selected lanes and parking areas.

### **2022:**

Re-started discussions after COVID with potential clients for LandRisk Logistics. Impact from the Russian invasion on Ukraine with more intelligence analysis related to the war and launch of weekly report. Developed and launched new 2025 Strategy re-focusing on maritime security that will include investments in new platform. First strategy milestones reached in terms of partnerships with MedAire/International SOS and with Geollect.

# Risk Intelligence business model

Risk Intelligence offers intelligence-based security threat and risk assessments in an Intelligence-as-a-Service model to companies and organisations within both maritime and landside transportation. This primarily through a web-based intelligence product, the Risk Intelligence System, consisting of three risk planning and assessment modules that are seamlessly integrated. The modules: MaRisk (maritime), PortRisk (ports) and LandRisk (landside logistics), are offered through a subscription model which is billed annually in advance, in any combination of one, two, or three modules.

## MaRisk

MaRisk has been a part of the Risk Intelligence System since its launch in 2008 and provides security information for companies to plan and execute maritime operations. MaRisk offers a global overview of security incidents and threats at sea and in coastal regions, and various tools for planning and analysis

## PortRisk

PortRisk was added to the Risk Intelligence System in 2015. The module offers updated security information on ports and offshore terminals, primarily in medium to high-risk areas around the world. PortRisk monitors more than 240 selected ports and terminals globally. All ports and terminals have undergone extensive analysis, and up to 20 percent of the ports and terminals have been surveyed on-site by a Risk Intelligence team.

## LandRisk

LandRisk was launched October 2019 and covers landside security incidents and alerts, threat analysis of cities, hot spots, regions, and countries for landside transportation. By adding LandRisk to the existing Risk Intelligence System, clients have access to a complete, integrated end-to-end supply chain security intelligence solution that provides a single point of access for all relevant transport-related security risk intelligence. LandRisk Logistics is a 360-degree solution for logistics security and includes the Lane Threat Assessment Tool, enabling comparable security threat overviews of user-built transport lanes and alternative routes. Users can set up automated incident alerts and access dashboards of selected lanes and parking areas.

## **Risk Intelligence System**

### **LICENSE FEE**

In addition to their chosen System modules, clients can add extra layers to each module, or use API integration into their corporate systems. In total, there are four variables that determine the cost of a client's annual license fee:

1. Number and type of selected modules
2. Number and type of selected layers
3. Number of users (and number of vessels operated for ship operating companies)
4. API integration

The Risk Intelligence System is fully scalable and is based on 12-month licenses with pre-paid subscriptions and automatic renewal. An annual 3% price increase is part of all license agreements. The Risk Intelligence System licenses constitute 82% of total revenue (2022), and the System has a renewal rate of 96-100% (Churn 0-4% based on revenue value). A core of five companies have subscribed since they became founding clients of MaRisk in early 2008, while the average age is 7.54 years (2022).

## **Intelligence reports**

Risk Intelligence offers weekly and monthly intelligence reports by subscription. These products are also fully scalable, and subscription fees range between DKK 30,000 and 120,000 depending on the type of report and subscription period. Intelligence reports constituted 6% of total revenue in 2022.

## **Advisory Services**

Risk Intelligence offers advisory services in the form of bespoke or semi-bespoke threat and risk assessment to its clients. Advisory Services constituted 12% of total revenue in 2022 (including reports).

# Commercial cycle



## **RECURRING REVENUE**

The total Risk Intelligence recurring revenue constituted 88% in 2022. The renewal rate in 2022 was 97.6% with a churn of 2.4%. The long-term goal of the strategy presented at the IPO in 2018 is to reach 90% turnover of recurring revenue.

## **SCALABILITY**

The current organisation on the production side is fully staffed to produce the intelligence updates and reports for the Risk Intelligence System in its current configuration. In other words, the product is fully scalable.

Planned growth in the landside market will create a need for additional analytical resources for LandRisk in a combination of additional analysts and technical analysis derived from our Data, AI and machine learning project. This will be covered by the higher license fees from LandRisk subscriptions.

## **CLIENT ACQUISITION PROCESS**

Risk Intelligence's lead generation is a combination of digital marketing, on and offline client events and meetings, recommendations from clients to potential clients or new employers, and direct approach to identified potential clients.

Digital marketing consists of ongoing content marketing, targeted online marketing campaigns, organic (SEO) and paid search, as well as automated marketing and sales flows. Since March 2020, regular webinars have been central to the online content and are offered both live and on demand.



*The average lifetime of each existing maritime client in 2022 was 7.54 years, much due to the loyalty and high renewal rate of the clients.*

14-day free trials of the System are used as a central client acquisition asset, where users get access to the Risk Intelligence System modules of interest and are on-boarded through a shot live demo and automated on-boarding content.

When interest is identified, a sales or account manager will address the prospect's needs and present how Risk Intelligence can assist through its full spectrum of products and services. Often the client relationship starts with a subscription to the Risk Intelligence System and other products are added gradually, but occasionally it starts with reports and/or advisory services products, followed by System subscription.

Once a prospect converts to client, the client company is assigned a dedicated client account manager, who is then responsible for all client relations with this company going forward.

In some cases, clients are acquired through partners, and the long-term target is to reach a 30% ratio of the total revenue from partners sales.

Risk Intelligence has had a handful of maritime clients for more than 15 years, who have also subscribed to the Risk Intelligence System since the launch of MaRisk in 2008. During the past years a significant number of new clients have been added to the Risk Intelligence System, and the average lifetime of each existing maritime client in 2022 was 7.54 years, much due to the loyalty and high renewal rate of the clients.



# Strategy 2025

**The Vision:  
A global market  
leader in security  
risk intelligence**

Risk Intelligence will be a leading global supply chain security intelligence provider to the entire supply chain market by air, on land, in port and at sea.

From a position as the main unbiased security intelligence capacity, Risk Intelligence will dominate its core market of relevant commercial and government organisations and deliver actionable intelligence to all relevant allied countries with an international naval presence.

## The Strategy

**The 2025 Strategy was launched in 2022 includes five strategic milestones:**

1. Refocusing the business on maritime security
2. Land-based security as an independent business area
3. Strong commercial partnerships
4. Average year-on-year growth of 30% to 50m DKK
5. A positive net result from 2024

### **Refocusing the business on maritime security**

The strategy marks a return to a focus on maritime security and intelligence analysis. Product, market, partner, and technology will mainly take place within this area, and Risk Intelligence will partner with the best technology partners to power its solutions.

The first major step will be the launch in 2023 of a new technology platform for the maritime products within the Risk Intelligence System (MaRisk and PortRisk), delivered by a partner company, and this, as well as new partnerships, will be strong enablers for the renewed focus.

**Land-based security as an independent business area**

LandRisk and LandRisk Logistics will continue on the existing platform and will increasingly become a scalable yet bespoke product. The land-based business will have its own dedicated team, managing solution sales to existing clients and potential clients in the pipeline.

Additional resources will be added when needed and warranted by revenue.

The land-based business and especially LandRisk Logistics will still be a strong potential upside.

**Strong commercial partnerships**

Risk Intelligence will significantly increase partnerships, which will deliver Risk Intelligence System data to partners' clients and thereby expand the market horizontally and vertically.

The partner sales will expand horizontally through the addition of new markets that have only been addressed marginally until now, or not at all.

The partner sales will also expand the market vertically, as existing Risk Intelligence clients can acquire navigation, fleet management, or similar systems for their fleet with integrated Risk Intelligence System data, without that cannibalising existing revenue.

**Average year-on-year growth of 30% to 50m DKK**

Historically, Risk Intelligence has had an average growth of about 20%, which is the basis for future growth.

A combination of new clients, upselling to existing clients, and revenue from partner sales will deliver the additional 10% growth. A new unique platform with a range of new features and new third-party data will provide additional revenue from existing and new clients and subsequently increase the ARPU and ARR. ARR is targeted to grow with an average of 30% per year.

The revenue target for 2025 is DKK 50m (based on invoiced revenue, while the reported/recognised revenue will only reach DKK 50m with a time-lag).

**A positive net result from 2024**

With the new strategy, Risk Intelligence will see an average growth of 30% year-on-year during the period to and including 2025.

The growth in revenue will be markedly higher than the growth in cost and deliver a positive EBITDA for the full year 2024.

The positive EBITDA and reduced financial costs will lead to positive net result from the full year 2024 and onwards.

**Furthermore, the 2025 Strategy contains six strategic objectives supporting the strategy:**

1. Commercial: Calibrating the commercial engine for growth
2. Technology: Outsourcing development
3. System: A new platform for the Risk Intelligence System
4. Quality: Adding ISO standards for quality management
5. ESG: Preparing for a sustainable future
6. People and culture: Continuing a strong people focus

**Commercial: Calibrating the commercial engine for growth**

The company will increase revenue with a new platform for the maritime products, which will deliver growth in revenue through additional revenue streams and price increases.

Risk Intelligence will significantly increase partnerships, which will deliver Risk Intelligence System data to partners' clients and thereby expand the market horizontally and vertically.

The company will have a focus on marketing, lead generation and sales for the maritime business.

The independent land-based business will have its own team generating leads and sales.

A Customer Success Team responsible for the entire customer journey will be set up.

These initiatives will raise the growth in revenue from historically on average 20% to 30% year-on-year.

**Technology: Outsourcing development**

Risk Intelligence will outsource development and maintenance of platform(s). Risk Intelligence will still own the backend production system and will further develop it by adding more machine learning and AI to consistently increase quality and scalability at the same time.

The production system will then via API be able to distribute tailor-made intelligence feeds to clients and partners.

**System: A new platform for the Risk Intelligence System**

Risk Intelligence will develop a partnership with a platform provider to become fully focused on delivering the best possible intelligence analysis and let market leading partners drive technological platform development.

The new technological platform for the Risk Intelligence System will be tailored to Risk Intelligence content and feature specifications, and branding.

The new platform will have integration of third-party data such as AIS, weather data, sanctions etc, which Risk Intelligence can market to its clients to create a customised solution at user level and create more revenue streams.

**Quality: Adding ISO standards for quality management**

Risk Intelligence will get ISO 9001 certification for quality management and 27001 information security and possibly 28001 security management certification to support the existing Risk Intelligence quality management based on Australian/New Zealand AS/NZS 4360 Risk Management Standard and NATO standards.

**ESG: Preparing for a sustainable future****SOCIAL**

The company will seek to increase its social responsibility by sponsoring local development projects areas in regions that are affected by the security threats the company generates revenue from.

Furthermore, since a large part of the revenue originates from the maritime area the company will support seafarers but also marine environment projects.

The company will also include projects supporting veterans.

**GOVERNANCE**

Since the IPO in 2018, Risk Intelligence has had an objective of complying with the main market governance criteria to the highest degree possible, given the company's listing in a growth marketplace and the size of the company. Towards 2025, we will continue to pursue this objective.

**People and culture: Continuing a strong people focus****SUSTAINABILITY**

Sustainability will become a guideline for the company towards 2025, and the company aims to become CO2 neutral over time as part of the process. This goal will be achieved through relevant reductions in company emissions, but also through actively engaging in offset compensation.

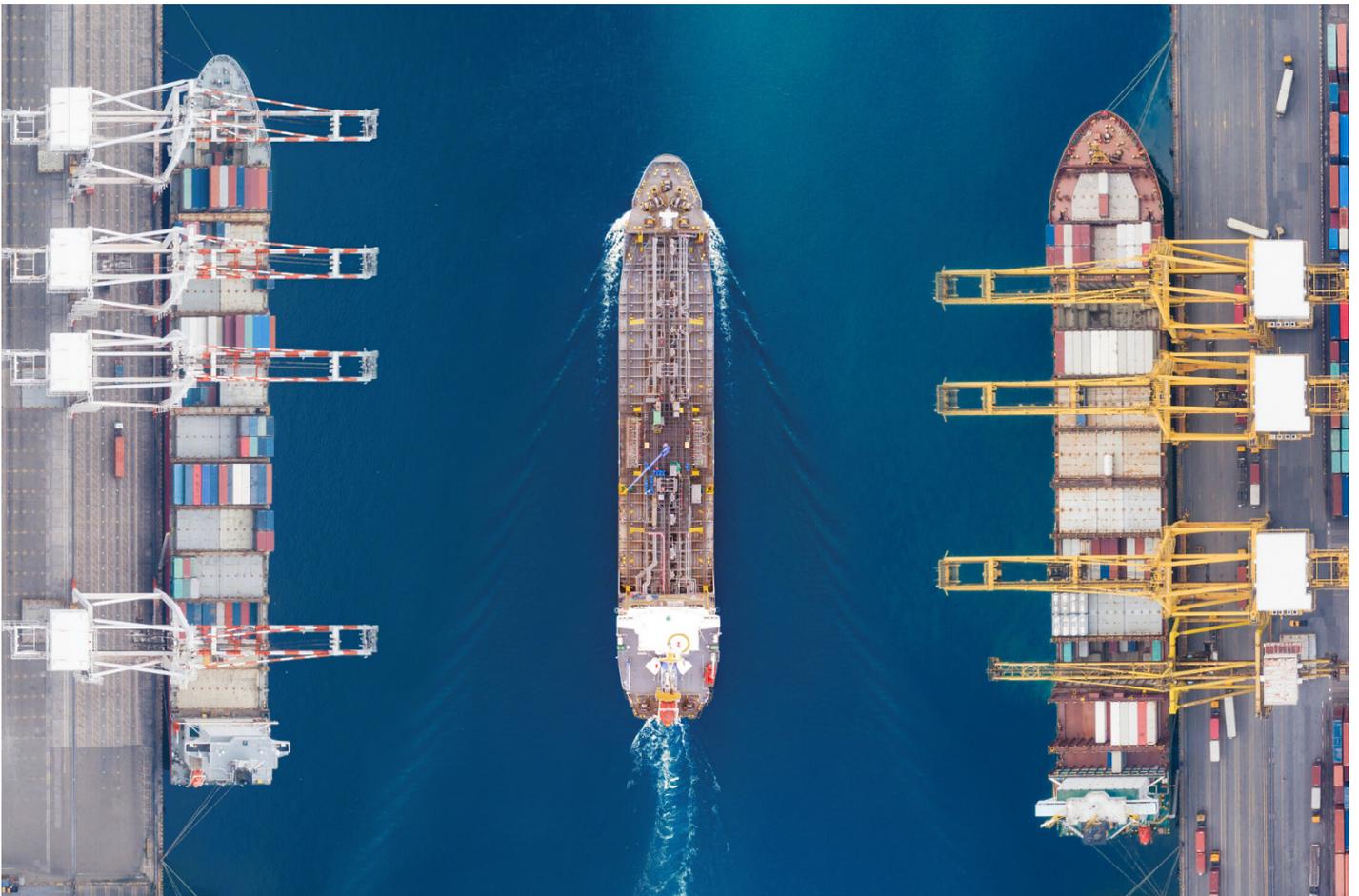
**DIVERSITY**

Diversity will be implemented through a balanced approach that is based on the natural recruiting basis of the company. In practice, Risk Intelligence's

hiring options reflect the diversity in the wider security sector, a sector dominated by males. Therefore, a large part of Risk Intelligence's analysts with security background are male, while in other areas such as e.g. marketing, the recruiting basis is predominantly female.

The company has never applied any distinction with regards to race, religious belief, or sexual orientation and will continue this approach. The only area impacting our recruiting profile is security and the national background of a potential employee, where certain countries of origin, that are not seen as allied to Denmark or even hostile, may not be considered.

The company will not make targets as the recruiting basis may change over time.



# Information about the Company

The company's name (and also trade name) is Risk Intelligence A/S. The company's organisation number is 27475671. The company is a Danish public limited liability company that was formed and registered with the Danish Business Authority (Dk. Erhvervsstyrelsen) on 11 December 2003. The company is regulated by, and operations are conducted in accordance with, the Danish Companies Act. The company's legal entity identification code (LEI) is 549300PN7NC2XGZP3641.

The company has its registered office in Hellerup, north of Copenhagen with address Strandvejen 100, 2900 Hellerup, Denmark. The company can be reached on [www.RiskIntelligence.eu](http://www.RiskIntelligence.eu) and +45 70266230.

Please note that the information on the website is not included in the Memorandum unless this information is incorporated into the Memorandum by reference.

As of 30 June 2023, the Company had 26 employees and 12 permanent part-time analysts, corresponding to a total of approximately 27 full-time positions. Risk Intelligence is the parent company of the wholly owned subsidiary, Risk Intelligence Singapore Pte Ltd with organisation number 201921389M.

## Financing of the Company's operations

Risk Intelligence will, as communicated to the market, have positive cash-flow from operations from Q4 2023 and onwards through 2024 and 2025. Subsequently, with the capital raised from the Rights Issue and the expected long-term loan from EIFO, the Danish State growth fund, former Vækstfonden, the Company will not need financing for its operations for the remaining part of the Strategy period to and including 2025.

Following the development and launch of the new platform there is no need for significant investments during the remaining part of the Strategy period to and including 2025.



## Investments

After 30 June 2023 until the date of the Memorandum, Risk Intelligence has not made any new significant investments. As already described the main significant investment is the new platform for the Risk Intelligence System, which will be launched 31 October 2023 and rolled out to clients and potential new clients during Q4.

## Trends

Risk Intelligence expects a declining inflation rate in Denmark during 2024 and 2025 compared to 2022, which means that increase in operating costs will normalise at 2-4%. Costs in Singapore, which has a much lower impact due to its relative size in Risk Intelligence operations, is forecasted to increase at a level of 3.5% during 2024 and 2.5% in 2025 based on official inflation forecasts.

The Risk Intelligence license agreements includes an annual increase of 3% or the highest of the 3% and the Danish Net Price Index by October. Subsequently, should the Danish Net Price Index land at 5%, then prices as of 1 January will increase with 5%.

## Significant changes in the Company's loan and financing structure since the end of the most recent financial period

There has been one material change to the Company's loan and financing structure since 30 June 2023, which was the loan of DKK 4 million that was communicated to the market in early July and is mentioned in the Q2 Interim Financial Report from 16 August 2023. There has been no other material change to the Company's loan and financing structure since early July 2023 and up to the date of the Memorandum.

# Financial information

Historical financial information for Risk Intelligence for the financial years 2022 and 2021 with associated audit reports is incorporated into the Memorandum by reference. For more details, see section “Documents incorporated by reference”.

Risk Intelligence’s annual reports for the financial years 2022 and 2021 have been audited and the auditor’s report is attached to the annual reports. The report for the period January – June 2023 has not been reviewed by the Company’s auditor. The annual accounts and report for the period January – June 2023 have been prepared in accordance with the Danish Annual Accounts Act. Apart from Risk Intelligence’s audited annual reports for the financial year 2022 and 2021, no information in the Memorandum has been reviewed or audited by the Company’s auditor.

References are made as follows:

Annual Report 2022:

income statement (page 33), balance sheet (pages 34-35)  
cash flow statement (page 37) notes (pages 38-44)  
and auditor’s report (pages 4-6).

Annual Report 2021:

income statement (page 32) balance sheet (pages 33-34)  
cash flow statement (page 36) notes (pages 37-42)  
and auditor’s report (pages 4-5).

Q2 and half-year report 2023 (not audited)

# Income statement

DKK '000	Q2 '23	Q2 '22	1H '23	1H' 22	FY '22
<b>Net sales</b>	<b>4,920</b>	<b>4,332</b>	<b>10,043</b>	<b>8,711</b>	<b>17,734</b>
Other operating expenses	-2,112	-2,262	-4,461	-4,010	-8,702
<b>Gross profit</b>	<b>2,808</b>	<b>2,070</b>	<b>5,582</b>	<b>4,701</b>	<b>9,032</b>
Staff costs	-4,305	-4,237	-8,638	-8,096	-16,202
<b>Earnings before depreciation and amortization (EBITDA)</b>	<b>-1,497</b>	<b>-2,167</b>	<b>-3,056</b>	<b>-3,395</b>	<b>-7,170</b>
Depreciation / amortization of tangible and intangible fixed assets	-701	-565	-1,382	-1,122	-2,758
<b>Profit/loss before financial items</b>	<b>-2,198</b>	<b>-2,732</b>	<b>-4,438</b>	<b>-4,517</b>	<b>-9,927</b>
Financial costs	-685	-482	-1,637	-1,051	-3,320
<b>Profit/loss before taxes</b>	<b>-2,884</b>	<b>-3,214</b>	<b>-6,076</b>	<b>-5,568</b>	<b>-13,247</b>
Tax on profit for the year	612	701	1,337	1,050	2,914
<b>Net profit</b>	<b>-2,271</b>	<b>-2,513</b>	<b>-4,739</b>	<b>-4,518</b>	<b>-10,333</b>
Proposed distribution of profit					
Transfer of profits for development projects	-297	164	-297	175	-553
Retained earnings	-1,974	-2,677	-4,442	-4,693	-9,780

# Balance Sheet 30 June

DKK '000	30-06-2023	30-06-2022	31-12-2022
<b>Assets</b>			
Intangible assets			
Completed development projects	8,275	6,523	8,703
Ongoing development projects	1,963	4,876	1,917
<b>Total intangible fixed assets</b>	<b>10,238</b>	<b>11,398</b>	<b>10,619</b>
Tangible fixed assets			
Other facilities, fixtures and accessories	1,496	1,258	1,249
<b>Total tangible assets</b>	<b>1,496</b>	<b>1,258</b>	<b>1,249</b>
Financial assets			
Investments in subsidiaries	0	0	0
Deferred tax	11,263	8,062	9,926
Other long-term receivables	428	400	428
<b>Financial assets</b>	<b>11,691</b>	<b>8,462</b>	<b>10,354</b>
<b>Total fixed assets</b>	<b>23,424</b>	<b>21,118</b>	<b>22,223</b>
Receivables			
Accounts Receivables	3,578	2,874	5,791
Other receivables	222	0	194
Tax	2,274	2,274	2,274
Accruals	951	768	1,137
<b>Total Receivables</b>	<b>7,026</b>	<b>5,917</b>	<b>9,397</b>
Assets			
Cash at bank and in hand	3	1,138	342
<b>Current assets total</b>	<b>7,030</b>	<b>7,054</b>	<b>9,739</b>
<b>Assets total</b>	<b>30,454</b>	<b>28,173</b>	<b>31,962</b>

# Balance Sheet 30 June

DKK '000	30-06-2023	30-06-2022	31-12-2022
<b>Liabilities and equity</b>			
Equity			
Share capital	1,534	1,108	1,108
Reserve for development costs	7,986	9,012	8,283
Retained earnings	-18,118	-17,572	-22,659
<b>Total equity</b>	<b>-8,599</b>	<b>-7,453</b>	<b>-13,268</b>
Long-term liabilities			
Other credit institutions	1,740	2,753	2,089
Shareholders and Management	3,257	4,607	3,677
<b>Long-term liabilities</b>	<b>4,997</b>	<b>7,359</b>	<b>5,766</b>
Current liabilities			
Short-term part of long-term debt	2,534	2,708	3,428
Trade payables	2,814	1,873	2,103
Payables to subsidiaries	330	220	301
Lease obligations	749	565	751
Shareholders and Management	10,566	6,917	13,491
Other payables	4,222	3,801	3,156
Credit institutions	2,318	3,540	4,660
Deferred income	10,522	8,642	11,575
<b>Short-term liabilities</b>	<b>34,056</b>	<b>28,267</b>	<b>39,464</b>
<b>Debt total</b>	<b>39,053</b>	<b>35,626</b>	<b>45,230</b>
<b>Liabilities and equity total</b>	<b>30,454</b>	<b>28,173</b>	<b>31,962</b>

## 1 JANUARY 2022 - 31 DECEMBER 2022

DKK '000	Share capital	Share premium account	Reserve For Development Costs	Retained earnings	Total
Equity 1 January	1,108	0	8,837	-5,059	4,886
Net effect adjustment equity beginning	0	0	0	-7,821	-7,821
Adjusted equity 1 January	1,108	0	8,837	-12,880	-2935
Cash capital increase	0	0	0	0	0
Profit for the period	0	0	-553	-9,779	-10,333
Transferred from share premium	0	0	0	0	0
<b>Equity 31 December</b>	<b>1,108</b>	<b>0</b>	<b>8,283</b>	<b>-22,659</b>	<b>-13,268</b>

## 1 JANUARY 2023 - 30 JUNE 2023

DKK '000	Share capital	Share premium account	Reserve For Development Costs	Retained earnings	Total
Equity 1 January 2023	1,108	0	8,283	-22,659	-13,268
Cash capital increase	426	8,983	0	0	9,409
Profit for the period	0	0	-297	-4,442	-4,739
Transferred from share premium	0	-8,983	0	8,983	0
<b>Equity at 30 June 2023</b>	<b>1,534</b>	<b>0</b>	<b>7,986</b>	<b>-18,118</b>	<b>-8,599</b>

# Cash flow statement in summary

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DKK '000	Q2 '23	Q2 '22	1H '23	1H' 22	FY '22
Profit/loss for the year	-2,271	-2,513	-4,739	-4,518	-10,333
Adjustments	774	49	1,683	372	3,258
Change in working capital	1,097	416	1,621	2,364	2,934
<b>Cash flows from ordinary activities</b>	<b>-400</b>	<b>-2,048</b>	<b>-1,435</b>	<b>-1,782</b>	<b>-4,140</b>
Financial expenses	-685	-482	-1,637	-1,051	-3,320
<b>Cash flows from ordinary activities</b>	<b>-1,085</b>	<b>-2,531</b>	<b>-3,072</b>	<b>-2,834</b>	<b>-7,461</b>
Corporation tax paid (-)/received	0	0	0	0	0
<b>Cash flows from operating activities</b>	<b>-1,085</b>	<b>-2,531</b>	<b>-3,072</b>	<b>-2,834</b>	<b>-7,461</b>
Purchases of intangible assets	-686	-53	-1,229	-477	-1,249
Purchases of property, plant and equipment	-18	9	-18	9	-266
Deposits	0	0	0	0	-28
Fixed asset investments made etc.	0	0	0	0	0
<b>Cash flow from investing activities</b>	<b>-704</b>	<b>-44</b>	<b>-1,247</b>	<b>-468</b>	<b>-1,542</b>
Change in lease obligations	-10	-34	-2	-53	134
Loans from credit institutions	1,495	3,221	-5,425	660	5,380
Conversion of loans into capital	0	0	8,336	0	0
Cash capital increase	0	0	1,072	0	0
Other financing	0	-7	0	0	0
<b>Cash flow from financing activities</b>	<b>1,485</b>	<b>3,180</b>	<b>3,981</b>	<b>607</b>	<b>5,513</b>
<b>Change in cash and cash equivalents</b>	<b>-304</b>	<b>605</b>	<b>-339</b>	<b>-2,695</b>	<b>-3,490</b>
Cash and cash equivalents beginning	307	532	342	3,832	3,832
<b>Cash and cash equivalents</b>	<b>3</b>	<b>1,137</b>	<b>3</b>	<b>1,137</b>	<b>342</b>

# Board of Directors, senior executives and auditor

According to Risk Intelligence's Articles of Association, the Board of Directors shall consist of a minimum of four and a maximum of seven ordinary Board members. The Board elects a chairman amongst the board members. Currently, the Company's Board of Directors consists of five ordinary Board members, including the Chairman of the Board, without deputies. The Board members are elected for the period until the end of the Annual General Meeting 2024.



## BOARD

Name	Position	Year of birth	Elected	Holding*
Jan Holm	Chairman	1969	2018	3,424,434
Stig Streit Jensen	Board member	1964	2018	87,660
Jens Munch Holst	Board member	1964	2018	0
Jens Lorens Poulsen	Board member	1957	2018	550,177
Hans Tino Hansen**)	CEO & Board member	1969	2018	3,117,750**)

\* Refers to own and related natural and legal persons' holdings of shares ("A") in the Company.

\*\*) Incl. Sandbjerg Holding

# Jan Holm

**/Chairman of  
the Board**

**Holdings:  
3,424,434 shares**

Jan has served as Executive VP at Seaborg Technologies and is the former CEO of Maersk Drilling in Singapore where he was responsible for the business of Maersk Drilling in Asia. Jan Holm has worked in the Maersk Group for 17 years in different positions in Denmark and Singapore. Before that, he worked a number of years in Danske Bank Group within finance and business development. Jan holds a master's degree in economics & business administration from Aarhus Business School as well as an Executive MBA from Copenhagen Business School.

Jan has attended various management courses at INSEAD and IMD. He is based in Singapore.

## **Other ongoing assignments:**

Alexandra Road Ventures Pte. Ltd.	Director
Oceanway Holdings Pte. Ltd.	Director
Risk Intelligence Singapore Pte. Ltd.	Director
Rov-Tech Pte. Ltd.	Director
Seaborg Singapore Pte. Ltd.	Director
Sirius Venture Pte. Ltd.	Director
Centre for Strategic Energy and Resources Limited	Director
Seatrium Ltd.	Director
Navozyme Pte. Ltd., Singapore	Director
Seaborg Technologies Aps,	Advisory Board Member
Motion Ventture Pte Ltd.,	Advisory Board Member

## **Previous assignments during the past five years:**

Maersk Drilling Holdings Singapore Pte. Ltd,	CEO/ Board Member
Maersk Drilling Labuan Ltd.	Board Member

## Jan Holm

### Previous assignments during the past five years:

Maersk Drilling Malaysia Sdn. Bhd,	Board Member
Maersk Drilling Nigeria Holdings Pte., Ltd	Board Member
Maersk Drilling Service Singapore Pte Ltd.,	CEO/ Board Member
Maersk Drillship I Singapore Pte. Ltd.	CEO/ Board Member
Maersk Drillship II Singapore Pte. Ltd.	CEO/ Board Member
Maersk Drillship III Singapore Pte. Ltd.	CEO/ Board Member
Maersk Drilling Drillship IV Singapore	CEO/ Board Member
Maersk Highlander UK Ltd	Board Member
Maersk Supply Service Singapore Pte. Ltd.	Board Member
Maersk Rigworld Ghana Limited,	Board Member
Maersk Drilling JS-Services Lda (Angola)	Board Member

# Stig Streit Jensen

**/Board Member**

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**Holdings:  
87,660 shares**

Stig Streit Jensen, born 1964, is a member of the board. He has extensive experience from the IT industry and documented results within leadership, strategy and business development. Stig has worldwide experience and has lived in France, Germany, Great Britain and Monaco. Besides having over 35 years of experience within sales & management, he has experience taking companies public, working as a public company and has made four exits in different companies.

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**Other ongoing  
assignments:**

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Streit	CEO
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LMW Invest ApS	CEO
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T.O. Holding A/S,	Chairman of the Board
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**Previous assignments during the  
past five years:**

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Omnicar	CEO and Board Member
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# Jens Munch Holst

**/Board Member**

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**Holdings:  
0 shares**

Jens Munch Holst is a member of the board. He is the CEO of AkademikerPension in Denmark and has many years of experience within the pension area, for example as CFO and CEO of Unipension. Jens has also worked in the financial services sector in different managerial roles. Jens holds a master's degree in economics from the University of Copenhagen. He is based in Denmark.

## Other ongoing assignments:

Akademiker Pension	CEO
Livdata P/S,	Chairman of the Board
Akademikerne Ejendomme P/S	Chairman of the Board
MP Ejendomme II P/S	Chairman of the Board
MP Investment Management A/S	Chairman of the Board
OPP NAU P/S	Member of the Board
UNIP Ejendomme P/S	Member of the Board
LivAdministration P/S	Chairman
UNIP RE K/S	Board member
Askehaven I/S	

## Previous assignments during the past five years:

Forchhammersvej 19 P/S	Chairman
Munch Holst	Managing Director
Komplimentarejendomsselskabet MP ApS	Director
Danasvej 30 A P/S	Chairman

# Jens Lorens Poulsen

**/Board Member**

**Holdings:  
550,177 shares**

Jens Lorens Poulsen is a member of the board. He is the co-founder and CEO of the Marcura Group. Marcura Group has for over 17 years invested in businesses with unique expertise and innovative systems. Marcura Group has its head office in Dubai but also has joint ventures in Europe and the USA. He has 30 years of experience from consulting in Andersen Consulting as well as finance as a CFO. Jens holds a HA in business and IT from the University of Aarhus. He is based in Dubai, UAE.

## **Other ongoing assignments:**

Marcura Holding Limited	Director
Marcura Equities Ltd	Director
MarTrust Corporation Limited	Non-Executive Director
DA-Desk FZE	Director
Marcura Platform Solutions FZE	Director
PortsDirect FZE	Director
Marcura UK Limited	Director
Marcura Singapore Pte Limited	Director
Callisto Agency Systems Co. Limited	Director
MarTrust FZE	Director
Marcura Equities FZE - Philippines Branch	Director
MarTrust Europe S.A	Director
Marcura Envoy Holding Limited	Director
Envoy Bidco Limited Directo	

## **Previous assignments during the past five years:**

None

# Hans Tino Hansen

**/CEO & Member of the Board**

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**Holdings:**  
**3,117,750**  
**(incl. Sandbjerg Holding)**  
**156,940 warrants**

He specialises in intelligence and maritime security risks for shipping, offshore, oil and gas companies and founded Risk Intelligence in 2001.

In 2007, he started development of the web-based global maritime security risks monitoring solution, MaRisk, which today is used by a number of private companies operating almost 15% of the world merchant fleet in international traffic and by navies around the world.

Hans holds a master's degree in economics from the University of Copenhagen, served in the Danish Army and has contributed to books on maritime security.

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**Other ongoing  
assignments:**

Sandbjerg Holding ApS,

Managing Director

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**Previous assignments during  
the past five years:**

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## SENIOR EXECUTIVES

Name	Position	Year of birth	Elected	Holding*	Holding of warrants
Hans Tino Hansen**]	CEO	1969	2001	3,117,750	156,940
Henrik Ehlers Kragh	Senior Director	1963	2013	64,383	78,470
Jens Krøis	CFO	1966	2018	55,484	78,470
Jim Pascoe	CSO	1977	2018	27,803	98,470
Niels Worsøe	COO	1976	2018	13,691	15,278

\*Refers to own and related natural and legal persons' holdings of shares ("A") in the Company.

\*\*] Incl. Sandbjerg Holding

# Hans Tino Hansen

/CEO since 2001

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**Holdings:**  
**3,117,750 shares**  
**(incl. Sandbjerg Holding ApS).**  
**156,940 warrents**

Hans Tino Hansen is founder and CEO of Risk Intelligence. He specialises in intelligence and maritime security risks for shipping, offshore, oil and gas companies. In addition, he has been advising a range of companies and governmental organisations at management level since 2001

He has led the development of the "Four Circles Model" for understanding the impact of and inter-relation between terrorism, insurgency, organised crime and piracy. From 2005 the company started analysing piracy in general and Somalia and West African piracy in particular. During 2007 he started development of the web-based global maritime security risks monitoring solution, MaRisk, which today is used by a number of private companies operating more than 14 per cent of the world merchant fleet in international traffic and by navies around the world.

He holds a master's degree in economics from the University of Copenhagen. Prior to his studies he served in the Danish Army for two years and later in the army reserve for eight years.

He has contributed to books on maritime security and is consulted as a commentator by the international and Danish media.

## **Other ongoing assignments:**

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Sandbjerg Holding ApS

Managing Director

## **Previous assignments during the past five years:**

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None

# Henrik Ehlers Kragh

**/Senior Director since 2023**

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**Holdings:**  
**64,383 shares**  
**78,470 warrents**

Henrik is Senior Director at Risk Intelligence and responsible for Strategy Implementation.

Henrik has been with Risk intelligence since 2013 and was Chief Operating Officer 2018-2023. Before joining Risk Intelligence Henrik was Head of Anti-Piracy Coordination in Maersk Line and he has been working with complex maritime risk and security issues since 2007. Henrik is a graduate from the Danish General Joint Staff Course and before retiring as a major Henrik held a number of command and staff positions, among other as an analyst at the Danish Institute for International Studies (DIIS).

**Other ongoing  
assignments:**

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None

**Previous assignments during  
the past five years:**

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None

# Jens Krøis

**/CFO since 2018**

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**Holdings:**  
**55,484 shares**  
**78,470 warrents**

Jens Krøis is Chief Financial Officer and has overall responsibility of Finance and Investor Relations at Risk Intelligence. Jens has a long track record on corporate level in listed companies in the Nordic region.

Before joining Risk Intelligence Jens Krøis has worked in the last 5 years as a consultant and as a CFO assisting companies to raise capital on Nasdaq and Oslo Stock Exchange. Jens Krøis latest position was as CFO at a Norwegian listed (OSE) biotech company. Prior to this, Krøis had a long career in FLSmidth & Co ("FLSmidth"), a C20 listed company on Nasdaq in Denmark.

Jens Krøis has extensive knowledge and experience within finance, funding, raising of capital and investor relations and has a strong network in the capital market both locally and globally. He is experienced in compliance, financial reporting (both internal and external), and also reporting to the stock exchange and capital markets in general.

## **Other ongoing assignments:**

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Proventa ApS	CEO
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Roskilde Golf Klub	Deputy Chairman
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## **Previous assignments during the past five years:**

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Eshoes ApS	Chairman of the board
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# Jim Pascoe

/CCO since 2022

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**Holdings:**  
**27,803 shares**  
**98,470 warrents**

Jim is the Chief Commercial Officer, at Risk Intelligence, overall responsible for sales, marketing and client relations. He joined Risk Intelligence in 2018 as International Sales Manager. He was appointed Sales Director in June 2020 and was appointed CCO and part of the management team in September 2020.

As a Royal Marines Officer he specialised in information exploitation. Whilst serving in UK Forces he commanded troops involved in maritime interdiction, maritime counter terrorism and conventional land operations.

Since retiring from the military, he has worked as a management consultant, delivering organisational change, primarily looking at the values and human behaviours, in particular those of C-suite staff across several large organisations. Alongside consultancy work he established, ran and exited his own company in the retail and hospitality sector.

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**Other ongoing assignments:**

Quirk Solutions Ltd

Advisery Board member

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**Previous assignments during the past five years:**

None

# Niels Worsøe

**/COO since 2023**

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**Holdings:**  
**13,691 shares**  
**15,3278 warrents**

Niels is the Chief Operating Officer and overall responsible for delivering products and services to our clients. He also plays a strong role in developing new features and functionality for the System.

Before joining Risk Intelligence, Niels was Deputy Company Security Officer and Senior Security Advisor at Maersk Line. In this position, Niels was deeply involved not only in all daily operations and routines but also the long-term planning of projects and programmes in the whole spectrum of maritime security.

Niels is ship's master and a former Tactical Officer in the Royal Danish Navy where he left with the rank of Commander. In his time in the Navy, he held various positions in naval aviation, naval SOF, frigates and as project lead for maritime ballistic missile defence. He has also specialised in the intelligence domain and had several deployments as head of the intelligence branch.

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**Other ongoing assignments:**

None

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**Previous assignments during the past five years:**

None

## Other information regarding the Board of Directors and senior executives

During the past five years, none of the Company's directors or officers has (i) been convicted in a fraud-related case, (ii) tied to a criminal offence and/or been subject to penalties for an offence by a regulatory or supervisory authority (including recognised professional associations), or (iii) been prohibited by a court from being a member of an issuer's administrative, management or supervisory body or from having managerial or overall functions of an issuer.

There are no family ties between any board member and senior executives.

None of the Company's directors or senior executives have been involved in bankruptcy, insolvent liquidation or corporate reorganisation during the past five years.

All of the Company's board members and senior executives can be reached via the Company's address Strandvejen 100, Hellerup, Denmark.

## Auditor

The company's auditor is authorized public accountant Henrik Wolff Mikkelsen active at Deloitte, Statsautoriseret Revisionspartnerskab, Weidekampsgade 6, 2300 København, Denmark.



# Shares, share capital and ownership structure

## Shares and share capital

As of 30 September 2023, the Company's registered share capital amounted to nominally DKK 1,533,838.90 divided into 15,338,389 shares of nominally DKK 0.10 of the same class, each with a quotient value of DKK 0.10. All shares are issued in accordance with the provisions of the Danish Companies Act, fully paid-up and freely transferable.

## Certain rights linked to the shares

The rights associated with shares issued by the Company, including the rights arising from the Articles of Association, may only be amended in accordance with the procedures set out in the Danish Companies Act (Selskabsloven). Each share entitles to one vote at the Company's general meeting. Each shareholder entitled to vote may vote at a general meeting for the full number of shares owned and represented. There is only one class of shares and all shares carry equal rights to share in the Company's assets and profits. In the event of liquidation of the Company, shareholders are entitled to a share of surplus in proportion to the number of shares held by the shareholder. There are no restrictions on the transferability of the shares. Shareholders normally have preferential rights to subscribe for new shares, warrants and convertibles in accordance with the Danish Companies Act (Selskabsloven), unless the general meeting or the board of directors resolves, by virtue of the authorization granted by the general meeting, to deviate from the shareholders' preferential rights. The Articles of Association do not contain any special provisions regarding redemption or conversion.

## Authorisations

The Extraordinary General Meeting on 3 October 2023 resolved to authorize the Board of Directors, on one or more occasions before 1 October 2028, to resolve on the issue of, units, consisting of shares with preferential rights for the shareholders. Payment in the event of a rights issue may be made in cash. The total number of shares that may be issued, or by virtue of the authorization shall not be limited in any other way than what follows from the Articles of Association's applicable limits for the share capital and the number of shares.

The Board of Directors resolved on 3 October 2023, based on the above-mentioned authorization, to implement the Offer.

## Right to dividend

The New Shares entitle the shareholder to a dividend the first time after the new Issue of Units has been registered with the Danish Business Authority. Any dividends are paid in DKK and are decided at the Annual General Meeting. The payment is provided by VP or for nominee registered holdings in accordance with the respective trustee's routines. The dividend is paid to the person who on the record day of the shareholders' meeting was registered as a shareholder in the share register held by the VP

## Dividend policy

As of the date of the Memorandum, the Company has not adopted a dividend policy. Vækstfonden, the lender of the long-term loans, has a right to require a balance between dividends and additional repayment of loans.

## Ownership

To the best of the Board's knowledge, there are no shareholder agreements or other agreements between the Company's owners that aim at joint influence over the Company, or that could lead to control of the Company being changed or prevented. As far as the Board is aware, there are also no transfer restrictions for a certain period of time (so-called lock-up agreements). Risk Intelligence has not taken any special measures to guarantee that control of the Company is not abused and there are no provisions in the Company's Articles of Association that could delay, postpone or prevent a change in control of the Company. However, the rules for the protection of minority shareholders contained in the Danish Companies Act (in Danish: Selskabsloven), constitute protection against a majority owner's possible abuse of control over a company.

## Major shareholders

The table below shows, to the best of the Company's knowledge, all shareholders with holdings exceeding ten percent of all shares and votes in Risk Intelligence as of 10 October 2023, including thereafter known changes up to the date of the Memorandum. The company has issued only one class of shares and all shares have equal voting rights.

Name	Number of shares	Share of capital and votes (%)
Jan Holm	3,424,584	22.33% and 26.34%
Hans Tino Hansen/Sandbjerg Holding ApS	3,117,750	19.56% and 23.07%
Total shareholders with holdings exceeding ten percent	6,542,684	41.89% and 49.41%
Other shareholders	8,795,705	58.11% and 50.59%
<b>Total</b>	<b>15,338,389</b>	<b>100% and 100%</b>

# Warrants, share-based incentive programs and convertibles

At the General Meeting 16 April 2021 Risk Intelligence decided to give the Board authorization to issue up to in total 1,500,000 new warrants. Each warrant providing a subscription right for one share of DKK 0.10 against payment of a price to be determined as the volume weighted average price (VWAP) for a period of 10 trading days prior the time of allotment and deducted 15%, for a period of 5 years expiring on 31 December 2026.

This warrants programme, which is directly connected to the growth strategy, is seen by the Board of Directors as a major incentive for all employees as well as for retention and not least top-level recruitment towards 2026. The allocation of warrants will be associated directly with the results of the long-term strategy and allocation will happen once per year provided milestones have been met. There will be no execution the first two years from this programme and the exercise period will start in 2023 with 2021 and 2022 allocations and 2024 with the 2023 allocation and so forth. The programme includes a reserve for new employees as part of the growth strategy. The share price will be paid to Risk Intelligence and if fully issued and vested the programme will lead to a cash impact of at least DKK 5,000,000 based on current share price. As per above the share price for each year's allotment will be based on the above model and if the growth targets are met then the share price is assumed to increase as well over time.

The Board of Directors have on a board meeting on 23 February 2022 decided to grant 272,564 warrants for the year 2021 and on a board meeting on 22 February 2023 granted 296,172 warrants to employees under above programme for the year 2022.

Risk Intelligence has issued warrants to Gemstone Capital ApS ("Gemstone"). The warrants give Gemstone the right to 76,691 shares (equivalent to 1 percent of the total number of shares in the Company after listing). Each warrant will provide the holder with the right to subscribe for one new share in the Company at a subscription rate of DKK 6.25. If fully vested the program will lead to a cash impact of DKK 479,319.

# Legal questions and supplementary information

## GENERAL INFORMATION

The shares of Risk Intelligence A/S were listed on Spotlight Stock Market 17 August 2018. The short name/ticker is RISK and the ISIN code is DK0061031978. As of 30 September 2023, the number of shares was 15,338,389. Each share represents DKK 0.10 equalling a share capital of DKK 1,533,839. Every stock share equals the same rights to the Company's assets and results. The Risk Intelligence share is held in 15 different countries throughout Europe, the Middle East, and Southeast Asia.

## RELATED PARTY TRANSACTIONS

The Company have on the 10 October 2023 loans outstanding with Board members and CEO as follows:

Jan Holm, Chairman of the Board	DKK 520,000.00 (Short term loan)
Hans Tino Hansen/Sandbjerg Holding ApS	DKK 1,710,103 (Short term loan)
Jens Lorens Poulsen	DKK 312,000.00 (Short term loan)
Stig Streit Jensen	DKK 772,000 (Long term loan)
Stig Streit Jensen	DKK 3,614,655 (Short term loan)

In addition to what is stated above, no further transactions between the Company and related parties have occurred during the period from and including 1 January 2023 until the date of the Memorandum, which individually or collectively are deemed material to the Company. All transactions with related parties have, in the Board's opinion, taken place on market terms.

## SIGNIFICANT AGREEMENTS

Risk Intelligence has not, with the exception of agreements that are part of the normal course of business, entered into any agreement of material importance during a period of two years immediately prior to the publication of the Memorandum.

## GOVERNMENT PROCEEDINGS, LEGAL PROCEEDINGS AND ARBITRATION

During the past twelve months, Risk Intelligence has not been a party to any government proceedings, legal proceedings or arbitrations (including proceedings that have not yet been decided or which, to the Company's knowledge, risk

being initiated) and which in recent times have had or could have significant effects on the Company's financial position or profitability. However, the Company have a claim against the Danish Tax authorities of up to DKK 1.2 million in total.

#### **INTERESTS AND CONFLICTS OF INTEREST**

None of the directors or senior executives has been elected or appointed as a result of special agreement with major shareholders, clients, suppliers or other parties.

There are no conflicts of interest or potential conflicts of interest between the directors' and senior executives' commitments to the Company and their private interests and/or other commitments. However, as stated in the section "Board of Directors, senior executives and auditor", a number of board members and senior executives have financial interests in Risk Intelligence through holdings of securities in Risk Intelligence.

In addition to the above parties' interest that the Rights Issue can be successfully completed, it is considered that there are no financial or other interests or any conflicts of interest between the parties who, in accordance with the above, have financial or other interests in the Rights Issue.

#### **WORKING CAPITAL STATEMENT**

It is the Company's assessment that the existing working capital, as of the date of the Memorandum, is not sufficient for the current needs during the coming twelve-month period. Working capital in this sense refers to the Company's ability to meet its payment obligations as they fall due, with the help of available cash and cash equivalents. As of 30 June 2023, the Company's cash and cash equivalents amounted to DKK 0.003 million. The company estimates that the working capital deficit will occur during Q4 2023. Taking into account estimated cash flows, the Company has a positive working capital of approximately DKK 2.5 million for the coming twelve-month period (1 October 2023 to 30 September 2024).

In connection with the Offering, Risk Intelligence has has, in September 2023, received pre-subscription commitments and guarantee commitments of approximately DKK 13.9 million, which corresponds to approximately 75.2 percent of the initial issue volume, of which approximately DKK 5.6 million is made up of pre-subscription commitments and approximately DKK 8.3 million are made up of guarantee commitments. However, subscription commitments received are not secured by bank guarantees, escrow funds, pledges or similar arrangements.

If the Rights Issue, despite subscription commitments and guarantee commitments, is not subscribed for to a sufficient extent, the Company will have difficulties in running operations and development at the planned pace. The company may thus be forced to seek alternative financing opportunities such as additional capital raising or loan financing, alternatively implement cost cuts

or be forced to conduct operations at a lower pace than expected until additional capital can be raised. It is not certain that the Company will succeed in securing alternative financing or that cost cuts will have the desired effect. There is a risk that lack of financing or unsuccessful measures will result in the Company being put into restructuring, or in the worst case, bankruptcy.

## Available documents

Copies of the following documents are available throughout the validity period of the Memorandum on the Company's website, [www.riskintelligence.eu](http://www.riskintelligence.eu), and can be inspected during the same period at the Company's office (Strandvejen 100, Hellerup) during regular office hours.

- Risk Intelligence's updated memorandum of association (registration certificate).
- Risk Intelligence's Articles of Association.

Please note that the information on the website does not form part of the Memorandum.



# RiskIntelligence



Risk Intelligence A/S  
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